I. Meeting Packet

State of Florida
Public Service Commission
INTERNAL AFFAIRS AGENDA
Tuesday – November 19, 2024
9:30 AM
Room 105 – Gerald L. Gunter Building

1. Draft 2024 Ten-Year Site Plans of Florida Electric Utilities (Attachment 1)

2. Draft 2024 Annual Report on Activities Pursuant to the Florida Energy Efficiency and Conservation Act (Attachment 2)

3. Draft 2024 Report on Efforts to Reduce the Regulatory Assessment Fee for Telecommunications Companies (Attachment 3)

4. Draft 2024 Status of the Telecommunications Access System Report (Attachment 4)

5. Draft 2024 Lifeline Assistance Report (Attachment 5)

6. General Counsel's Report

7. Executive Director's report

8. Other Matters

BB/aml

OUTSIDE PERSONS WISHING TO ADDRESS THE COMMISSION ON ANY OF THE AGENDAED ITEMS SHOULD CONTACT THE OFFICE OF THE EXECUTIVE DIRECTOR AT (850) 413-6463.

Attachment 1

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: October 30, 2024

TO: Braulio L. Baez, Executive Director

FROM: Greg Davis, Engineering Specialist III, Division of Engineering GD LK
Phillip O. Ellis, Public Utilities Supervisor, Division of Engineering POE TB

RE: Draft Review of the 2024 Ten-Year Site Plans of Florida's Electric Utilities

CRITICAL INFORMATION: Place on November 19, 2024 Internal Affairs Agenda. Approval by the Commission is required by December 31, 2024.

Pursuant to Section 186.801, Florida Statues, electric utilities are required to submit to the Commission a Ten-Year Site Plan which shall estimate a utility's power-generating needs and the general location of its proposed power plant sites. The Commission is required to make a preliminary study of each plan and classify it as "suitable" or "unsuitable" within nine months after receipt of the proposed plan. Electric utility plans were filed on April 1, 2024. Staff seeks approval of the attached draft report that includes a statewide assessment, and an analysis and recommended classification of each plan.

Please contact me or Phillip Ellis if you have any questions or need additional information in reference to the attached document.

GD:pz

Attachment

cc: Keith Hetrick, General Counsel
Mark Futrell, Deputy Executive Director – Technical
Apryl Lynn, Deputy Executive Director – Administrative

REVIEW OF THE

2024 TEN-YEAR SITE PLANS

OF FLORIDA'S ELECTRIC UTILITIES

DRAFT 10-30-2024

FLORIDA PUBLIC SERVICE COMMISSION

NOVEMBER 2024

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List of Ten-Year Site Plan Utilities

Name	Abbreviation
Investor-Owned Electric Utilities	
Florida Power & Light Company	FPL
Duke Energy Florida, LLC	DEF
Tampa Electric Company	TECO
Municipal Electric Utilities	
Florida Municipal Power Agency	FMPA
Gainesville Regional Utilities	GRU
JEA	JEA
Lakeland Electric	LAK
Orlando Utilities Commission	OUC
City of Tallahassee Utilities	TAL
Rural Electric Cooperatives	
Seminole Electric Cooperative	SEC

Unit Type and Fuel Abbreviations

Reference	Name	Abbreviation
Unit Type	Battery Storage	BAT
	Combined Cycle	CC
	Combustion Turbine	CT
	Hydroelectric	HY
	Internal Combustion	IC
	Photovoltaic	PV
	Steam Turbine	ST
Fuel Type	Bituminous Coal	BIT
	Distillate Fuel Oil	DFO
	Landfill Gas	LFG
	Natural Gas	NG

Executive Summary

Integrated resource planning (IRP) is a utility process that includes a cost-effective combination of demand-side resources and supply-side resources. While each utility has slightly different approaches to IRP, some things are consistent across the industry. Each utility must update its load forecast assumptions based on Florida Public Service Commission (Commission) decisions in various dockets, such as demand-side management goals. Changes in government mandates, such as appliance efficiency standards, building codes, and environmental requirements must also be considered. Other updates involve input assumptions like demographics, financial parameters, generating unit operating characteristics, and fuel costs which are more fluid and do not require prior approval by the Commission. Each utility then conducts a reliability analysis to determine when resources may be needed to meet expected load. Next, an initial screening of demand-side and supply-side resources is performed to find candidates that meet the expected resource need. The demand-side and supply-side resources are combined in various scenarios to decide which combination meets the need most cost-effectively. After the completion of all these components, utility management reviews the results of the varying analyses and the utility's Ten-Year Site Plan (TYSP) is produced as the culmination of the IRP process. Commission Rules also require the utilities to provide aggregate data which provides an overview of the State of Florida electric grid.

The Commission's annual review of utility Ten-Year Site Plans is non-binding as required by Florida Statutes (F.S.), but it does provide state, regional, and local agencies advance notice of proposed power plants and transmission facilities. Any concerns identified during the review of the utilities' Ten-Year Site Plans may be addressed by the Commission at a formal public hearing, such as a power plant need determination proceeding. While Florida Statutes and Commission Rules do not specifically define IRP, they do provide a solid framework for flexible, cost-effective utility resource planning. In this way, the Commission fulfills its oversight and regulatory responsibilities while leaving day-to-day planning and operations to utility management.

Pursuant to Section 186.801, F.S., each generating electric utility must submit to the Commission a Ten-Year Site Plan which estimates the utility's power generating needs and the general locations of its proposed power plant sites over a 10-year planning horizon. The Ten-Year Site Plans of Florida's electric utilities summarize the results of each utility's IRP process and identifies proposed power plants and transmission facilities. The Commission is required to perform a preliminary study of each plan and classify each one as either "suitable" or "unsuitable." This document represents the review of the 2024 Ten-Year Site Plans for Florida's electric utilities, filed by 10 reporting utilities.[1]

All findings of the Commission are made available to the Florida Department of Environmental Protection for its consideration at any subsequent certification proceeding pursuant to the

[1] Investor-owned utilities filing 2024 Ten-Year Site Plans include Florida Power & Light Company, Duke Energy Florida, LLC, and Tampa Electric Company. Municipal utilities filing 2024 Ten-Year Site Plans include Florida Municipal Power Agency, Gainesville Regional Utilities, JEA (formerly Jacksonville Electric Authority), Lakeland Electric, Orlando Utilities Commission, and City of Tallahassee Utilities. Seminole Electric Cooperative also filed a 2024 Ten-Year Site Plan.

Electrical Power Plant Siting Act or the Electric Transmission Line Siting Act.[2] In addition, this document is sent to the Florida Department of Agriculture and Consumer Services pursuant to Section 377.703(2)(e), F.S., which requires the Commission provide a report on electricity and natural gas forecasts.

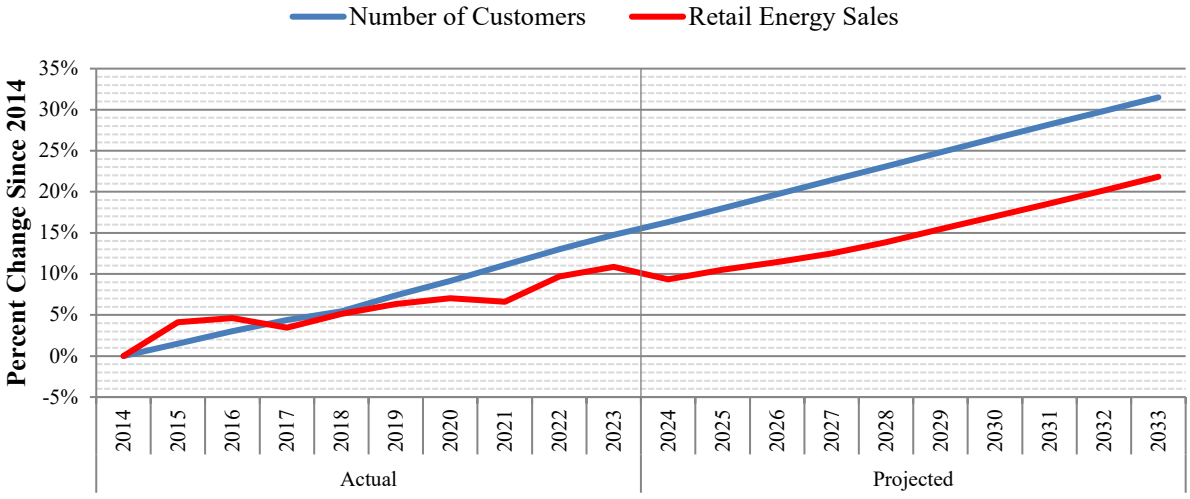
Review of the 2024 Ten-Year Site Plans

The Commission has divided this review into two portions: (1) a Statewide Perspective, which covers the whole of Florida; and (2) Utility Perspectives, which address each of the reporting utilities. From a statewide perspective, the Commission has reviewed the implications of the combined trends of Florida's electric utilities regarding load forecasting, renewable generation, and traditional generation.

Load Forecasting

Forecasting customer energy needs or load is a fundamental component of electric utility planning. In order to maintain an adequate and reliable system, utilities must project and prepare for changes in overall electricity consumption patterns. These patterns are affected by the number and type of customers, and factors that impact customer usage including weather, economic conditions, housing size, building codes, appliance efficiency standards, new technologies, and demand-side management. Florida's utilities use well-known and tested forecasting methodologies, which are consistent with industrywide practices used in generation planning. Figure 1 provides the historical and forecasted trends in customer growth and energy sales. Forecasted retail energy sales in 2024 are lower than the actual retail energy sales in 2023. This is because of warmer weather conditions in 2023, and normalized weather trends were used to forecast 2024 through 2033.

Figure 1: State of Florida - Growth in Customers and Sales



Source: FRCC 2024 Regional Load and Resource Plan

[2] The Electrical Power Plant Siting Act is Sections 403.501 through 403.518, F.S. Pursuant to Section 403.519, F.S., the Commission is the exclusive forum for the determination of need for an electrical power plant. The Electric Transmission Line Siting Act is Sections 403.52 through 403.5365, F.S. Pursuant to Section 403.537, F.S., the Commission is the sole forum for the determination of need for a transmission line.

Renewable Generation

Renewable resources continue to expand in Florida, with approximately 11,470 megawatts (MW) of renewable generating capacity currently in Florida. The majority of installed renewable capacity is represented by solar photovoltaic (PV) generation which makes up approximately 87 percent of Florida's existing renewables. Notably, Florida electric customers had installed 2,351 MW of demand-side renewable capacity by the end of 2023, an increase of 32 percent from 2022.

Florida's total renewable resources are expected to increase by an estimated 30,737 MW over the 10-year planning period, excluding any potential demand-side renewable energy additions. Solar PV accounts for all of this increase; however, only 8,007 MW of these new solar resources are considered as firm resources for summer peak reliability considerations. If these conditions continue, cost-effective forms of renewable generation will continue to improve the state's fuel diversity and reduce dependence on fossil fuels while having a lesser impact on system adequacy. Therefore, several utilities plan on adding battery storage totaling 5,305 MW during the planning period, which would increase firm capacity available during both seasonal system peaks.

Table 1 provides a breakdown of each TYSP Utility's actual 2023 and projected 2033 generation from renewables, in gigawatt-hours (GWh) and as a percentage of the net energy for load (NEL). Renewable energy as a percent of NEL is expected to increase from 6.8 percent in 2023 to 30.8 percent in 2033.

Table 1: State of Florida - Renewable Energy Generation

Utility	2023 Actual			2033 Projected		
	NEL	Renewables		NEL	Renewables	
	GWh	GWh	% NEL	GWh	GWh	% NEL
FPL	140,464	10,217	7.27%	153,681	59,440	38.68%
DEF	44,046	2,788	6.33%	47,094	13,408	28.47%
TECO	21,767	1,748	8.03%	23,224	6,191	26.66%
FMPA	7,174	143	1.99%	6,766	647	9.56%
GRU	1,861	296	15.90%	1,972	640	32.45%
JEA	12,722	412	3.24%	13,885	3,146	22.66%
LAK	3,442	25	0.73%	3,670	178	4.85%
OUC	7,972	396	4.97%	8,994	4,513	50.18%
TAL	2,753	107	3.89%	2,856	111	3.89%
SEC	16,312	423	2.59%	19,484	738	3.79%
State	268,898	18,217	6.77%	289,894	89,303	30.81%

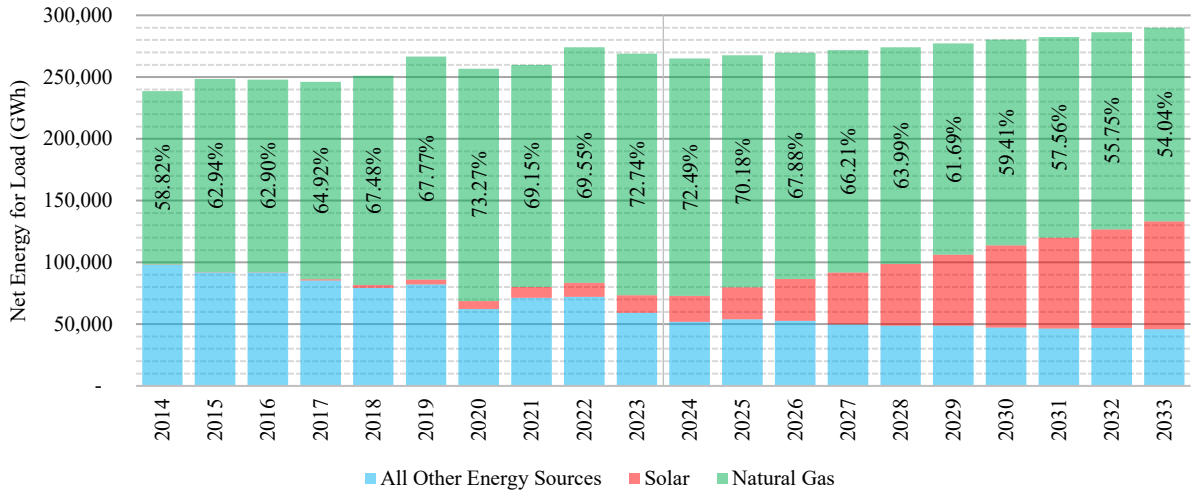
Source: FRCC 2024 Regional Load and Resource Plan and TYSP Utilities' Data Responses

Traditional Generation

Generating capacity within Florida is anticipated to grow to meet the increase in customer demand, with an approximate net increase of 2,159 MW of traditional generation over the planning horizon, with natural gas plant additions offset by coal and oil retirements. Natural gas electric generation, as a percent of NEL, is expected to decline from 70 percent in 2023 to 54 percent over the planning horizon. Figure 2 illustrates the use of natural gas as a generating fuel for electricity production in

Florida compared to solar and all other energy sources combined. The total energy produced by solar generation is projected to exceed all other sources combined excluding natural gas by 2028.

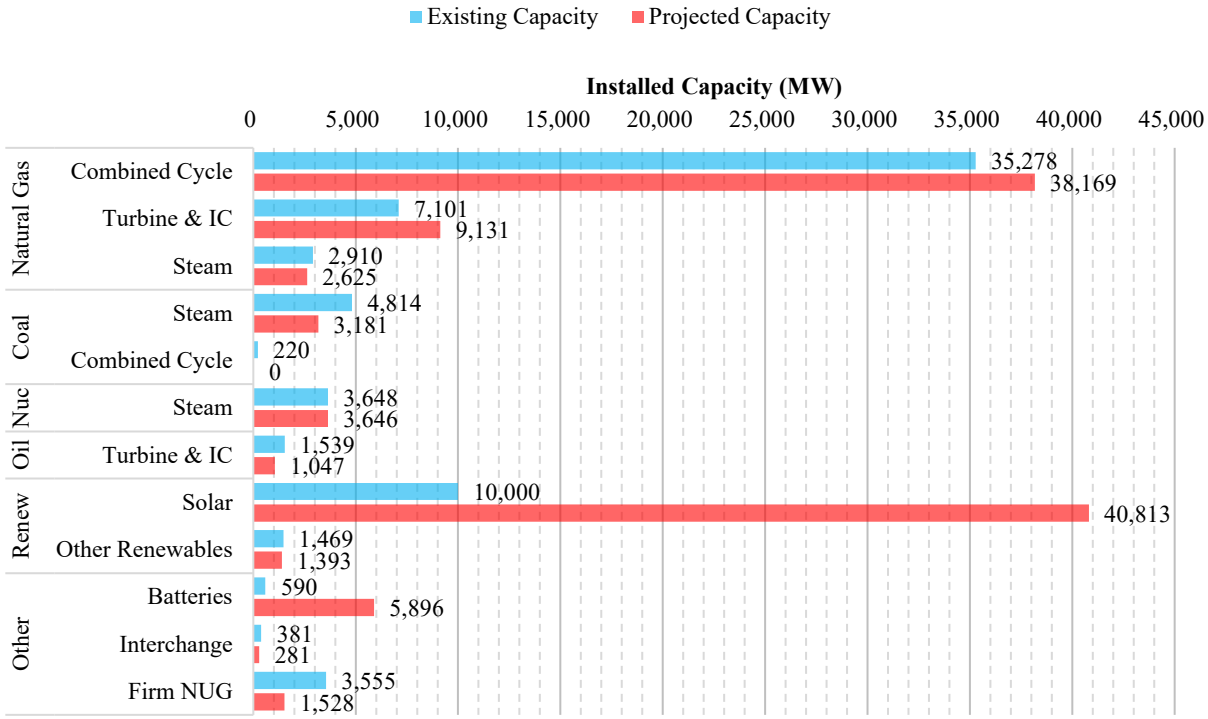
Figure 2: State of Florida - Electricity Generation Sources



Source: FRCC 2015-2024 Regional Load and Resource Plans

Figure 3 illustrates the present and future aggregate capacity mix of Florida based on the 2024 Ten-Year Site Plans. The capacity values in Figure 3 incorporate all proposed additions, changes, and retirements planned during the 10-year period. While natural gas-fired generating units represent a majority of capacity within the state, renewable capacity additions make up the majority of the projected net increase in generation capacity over the planning period. Solar generation is already the second highest category of installed capacity, and will exceed natural gas combined cycle nameplate capacity by the end of the 10-year planning period. As mentioned previously, not all of the installed solar capacity provides a firm resource that is available to serve peak demand.

Figure 3: State of Florida - Current and Projected Installed Capacity



Source: FRCC 2024 Regional Load and Resource Plan and TYSP Utilities' Data Responses

As noted previously, the primary purpose of this review is to provide information regarding proposed electric power plants for local, regional, and state agencies to assist in the certification process. During the next 10 years, there are two new units planned that may require a determination of need from the Commission pursuant to Section 403.519, F.S. JEA's TYSP includes a unit in 2030 and SEC's TYSP includes a unit in 2032.

Future Considerations

Florida's electric utilities must also consider changes in environmental regulations associated with existing generators and planned generation to meet Florida's electric needs. Developments in U.S. Environmental Protection Agency (EPA) regulations may impact Florida's existing generation fleet and proposed new facilities. For example, on May 9, 2024, the EPA released a final rule consisting of five separate actions under the Clean Air Act (CAA) Section 111, targeting greenhouse gas (GHG) emissions from fossil fuel-fired electric generating units (EGUs). These and other relevant EPA actions are further discussed in the Traditional Generation section.

Conclusion

The Commission has reviewed the 2024 Ten-Year Site Plans of Florida's electric utilities and finds that the projections of load growth appear reasonable. The reporting utilities have identified sufficient additional generation facilities to maintain an adequate supply of electricity. The Commission will continue to monitor the impact of current and proposed EPA Rules, expansion of EV adoption, and the state's dependence on natural gas for electricity production.

Based on its review, the Commission finds the 2024 Ten-Year Site Plans to be suitable for planning purposes. Since the plans are not a binding plan of action for electric utilities, the Commission's classification of these plans as "suitable" or "unsuitable" does not constitute a finding or determination in docketed matters before the Commission.

Introduction

The Ten-Year Site Plans of Florida's electric utilities are the culmination of an integrated resource plan which is designed to give state, regional, and local agencies advance notice of proposed power plants and transmission facilities. The Commission receives comments from these agencies regarding any issues with which they may have concerns. The Ten-Year Site Plans are planning documents that contain tentative data that is subject to change by the utilities upon written notification to the Commission.

For any new proposed power plants and transmission facilities, certification proceedings under the Florida Electrical Power Plant Siting Act, Sections 403.501 through 403.518, F.S., or the Florida Electric Transmission Line Siting Act, Sections 403.52 through 403.5365, F.S., will include more detailed information than is provided in the Ten-Year Site Plans. The Commission is the exclusive forum for determination of need for electrical power plants, pursuant to Section 403.519, F.S., and for transmission lines, pursuant to Section 403.537, F.S. The Ten-Year Site Plans are not intended to be comprehensive, and therefore may not have sufficient information to allow regional planning councils, water management districts, and other reviewing state, regional, and local agencies to evaluate site-specific issues within their respective jurisdictions. Other regulatory processes may require the electric utilities to provide additional information as needed.

Statutory Authority

Section 186.801, F.S., requires all major generating electric utilities submit a Ten-Year Site Plan to the Commission at least every two years. Based on these filings, the Commission performs a preliminary study of each Ten-Year Site Plan and makes a non-binding determination as to whether it is suitable or unsuitable. The results of the Commission's study are contained in this report and are forwarded to the Florida Department of Environmental Protection for use in subsequent proceedings. In addition, Section 377.703(2)(e), F.S., requires the Commission to collect and analyze energy forecasts, specifically for electricity and natural gas, and forward this information to the Department of Agriculture and Consumer Services. The Commission has adopted Rules 25-22.070 through 25-22.072, Florida Administrative Code (F.A.C.) in order to fulfill these statutory requirements and provide a solid framework for flexible, cost-effective utility resource planning. In this way, the Commission fulfills its oversight and regulatory responsibilities while leaving day-to-day planning and operations to utility management.

Applicable Utilities

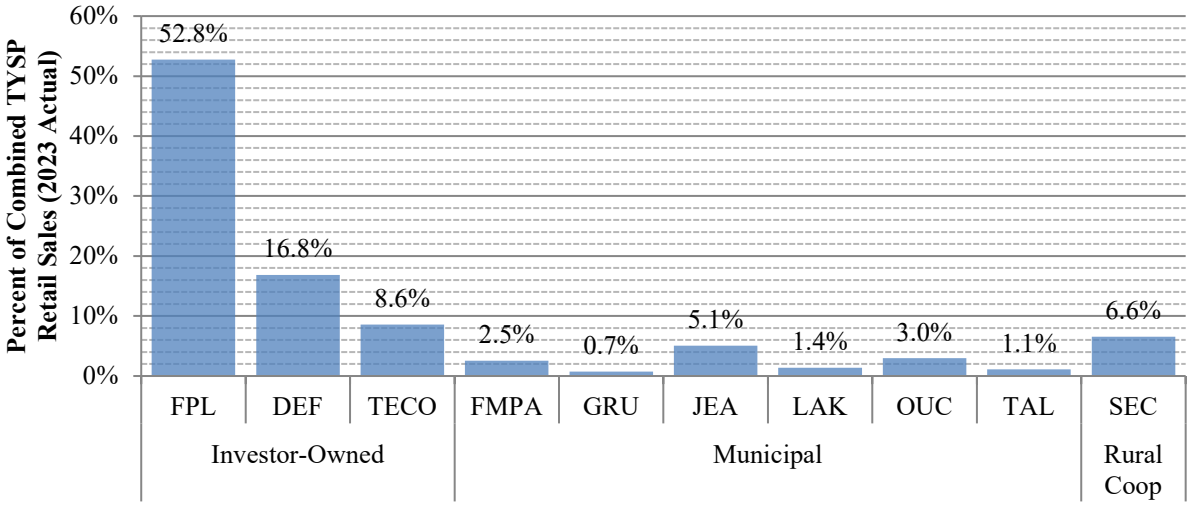
Florida is served by 57 electric utilities, including 4 investor-owned utilities, 35 municipal utilities, and 18 rural electric cooperatives. Pursuant to Rule 25-22.071(1), F.A.C., only electric utilities with an existing generating capacity above 250 MW or a planned unit with a capacity of 75 MW or greater are required to file a Ten-Year Site Plan with the Commission every year.

In 2024, 10 utilities met these requirements and filed a Ten-Year Site Plan, including 3 investor-owned utilities, 6 municipal utilities, and 1 rural electric cooperative. The investor-owned utilities, in order of size, are Florida Power & Light Company, Duke Energy Florida, LLC, and Tampa Electric Company. The municipal utilities, in alphabetical order, are Florida Municipal Power Agency, Gainesville Regional Utilities, JEA (formerly Jacksonville Electric Authority), Lakeland Electric, Orlando Utilities Commission, and City of Tallahassee Utilities. The sole rural electric

cooperative filing a 2024 Ten-Year Site Plan is Seminole Electric Cooperative. Collectively, these utilities are referred to as the Ten-Year Site Plan Utilities (TYSP Utilities).

Figure 4 illustrates the comparative size of the TYSP Utilities, in terms of each utility's percentage share of the combined TYSP Utilities' retail energy sales in 2023. Collectively, the reporting investor-owned utilities account for 78.2 percent of the reported retail energy sales, while the municipal and cooperative utilities make up approximately 20.3 percent of the reported retail energy sales.

Figure 4: TYSP Utilities - Comparison of Reporting Electric Utility Sales



Source: FRCC 2024 Regional Load and Resource Plan and 2024 Ten-Year Site Plans

Required Content

The Commission requires each reporting utility to provide information on a variety of topics as required by Section 186.801(2) F.S. Schedules describe the utility's existing generation fleet, customer composition, demand and energy forecasts, fuel requirements, reserve margins, changes to existing capacity, and proposed power plants and transmission lines. The utilities also provide a narrative documenting the methodologies used to forecast customer demand and the identification of resources to meet that demand over the 10-year planning period. This information, supplemented by additional data requests, provides the basis of the Commission's review.

Additional Resources

The Florida Reliability Coordinating Council (FRCC) compiles utility data on both a statewide basis and for Peninsular Florida, which excludes the area west of the Apalachicola River. This provides aggregate data for the Commission's review. Each year, the FRCC publishes a Regional Load and Resource Plan, which contains historic and forecast data on demand and energy, capacity and reserves, and proposed new generating units and transmission line additions. For certain comparisons, the Commission employs additional data from various government agencies, including the Energy Information Administration and the Florida Department of Highway Safety and Motor Vehicles.

Structure of the Commission's Review

The Commission's review is divided into multiple sections. The Statewide Perspective provides an overview of Florida as a whole, including discussions of load forecasting, renewable generation, and traditional generation. The Utility Perspectives provides more focus, discussing the various issues facing each electric utility and its unique situation. Comments collected from various review agencies, local governments, and other organizations are included in Appendix A.

Conclusion

Based on its review, the Commission finds all 10 reporting utilities' 2024 Ten-Year Site Plans to be suitable for planning purposes. During its review, the Commission has determined that the projections for load growth appear reasonable and that the reporting utilities have identified sufficient generation facilities to maintain an adequate supply of electricity.

The Commission notes that the Ten-Year Site Plans are non-binding, and a classification of suitable does not constitute a finding or determination in any docketed matter before the Commission, nor an approval of all planning assumptions contained within the Ten-Year Site Plans.

Statewide Perspective

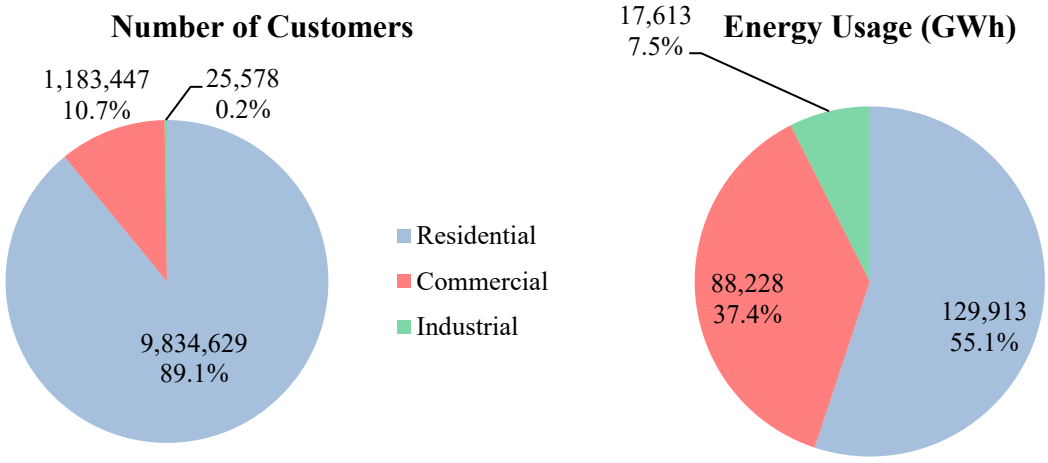
Load Forecasting

Forecasting customer energy needs or load is a fundamental component of electric utility planning. In order to maintain an adequate and reliable system, utilities must project and prepare for changes in overall electricity consumption patterns. These patterns are affected by the number and type of customers, and factors that impact customer usage including weather, economic conditions, housing size, building codes, appliance efficiency standards, new technologies, and demand-side management. Florida's utilities use well-known and tested forecasting methodologies, which are consistent with industrywide practices used in generation planning.

Electric Customer Composition

Utility companies categorize their customers by residential, commercial, and industrial classes. As illustrated in Figure 5, residential customers account for 89.1 percent of the total, followed by commercial (10.7 percent) and industrial (0.2 percent) customers. Commercial and industrial customers make up a sizeable percentage of energy sales due to their higher energy usage per customer.

Figure 5: State of Florida - Electric Customer Composition in 2023



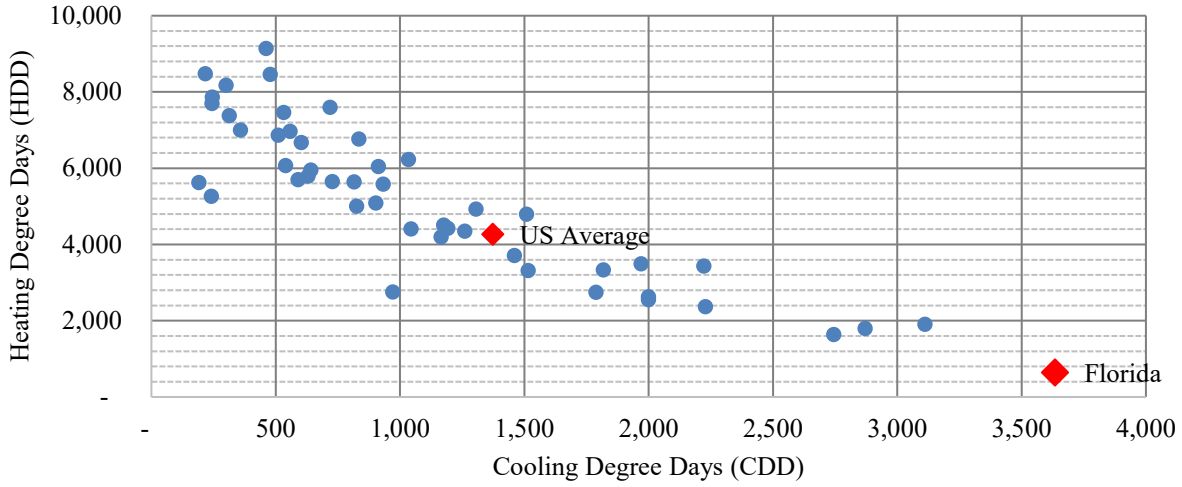
Source: FRCC 2024 Regional Load and Resource Plan

Residential customers in Florida make up the largest portion of retail energy sales. Florida's residential customers accounted for 55.1 percent of retail energy sales in 2023, compared to a national average of approximately 38.4 percent in 2022.[3] As a result, Florida's utilities are influenced more by trends in residential energy usage, which tend to be associated with weather conditions. Florida's unique climate plays an important role in electric utility planning, with the highest number of cooling degree days and lowest number of heating degree days within the

[3] U.S. Energy Information Administration – Sales and Direct Use of Electricity to Ultimate Customers.

continental United States, as shown in Figure 6. As such, most of Florida's utilities experience their peak demand during summer months. However, Florida's residential customers rely more upon electricity for heating than the national average, with only a small portion using alternate fuels such as natural gas or oil for home heating needs. Even with the low frequency of heating days required, such reliance can impact winter peak demand.

Figure 6: National - 20 Year Average Climate Data by State (Continental US)



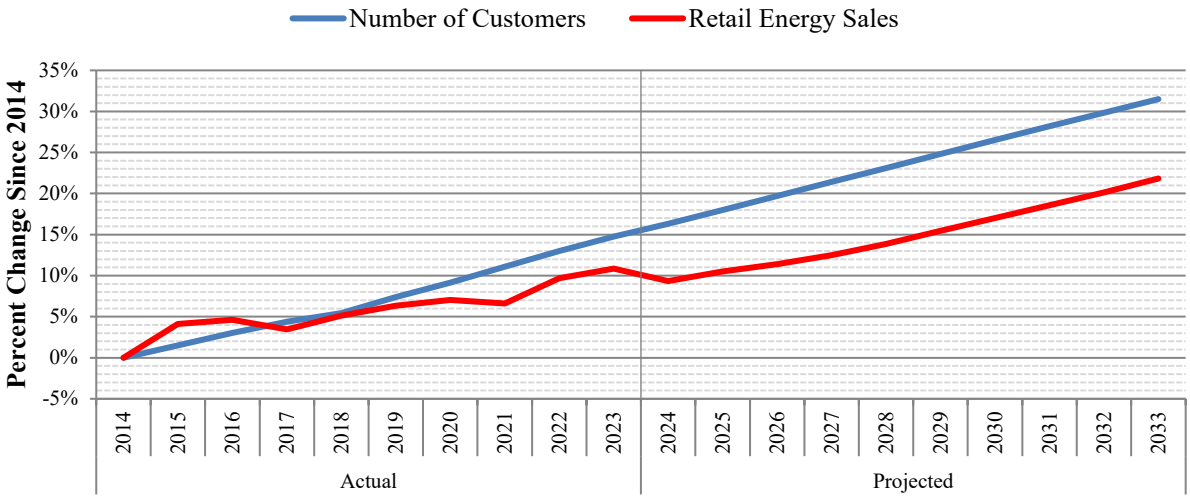
Source: National Oceanic and Atmospheric Administration Data

Growth Projections

For the next 10-year period, Florida's weather normalized retail energy sales are projected to grow at 1.21 percent per year, compared to the 1.15 percent actual annual increase experienced during the 2014-2023 period. The number of Florida's electric utility customers is anticipated to grow at an average annual rate of about 1.37 percent for the next 10-year period, compared to the 1.54 percent actual annual increase experienced during the last decade. These trends are showcased in Figure 7.

As shown in Figure 7, Florida utilities' total retail energy sales reached a historical peak in 2023 surpassing the most recent peak that was reached in 2020. Several factors converged to contribute to this effect: continued growth in the number of retail customers as more people move into the state, warmer than normal weather conditions, and a surge in economic activity in the state's vibrant tourism and service sectors as they further recover from the COVID-19 pandemic, which leads to increased electricity consumption across various industries. The second highest peak in energy sales occurred in 2020, which was mainly a result of residential customers working or schooling from home during the pandemic. Florida utilities' total retail energy sales are projected to continuously grow at a moderate annual average rate for the next 10 years. This sales growth is driven by an anticipated growth in customers and business activity, as well as the expected increased level of adoption of electric vehicles.

Figure 7: State of Florida - Growth in Customers and Sales



Source: FRCC 2024 Regional Load and Resource Plan

The projected retail energy sales trend reflects the product of the utilities' forecasted number of customers and forecasted energy consumption per customer. The key factor affecting utilities' number of customers is population growth. The key factors affecting utilities' use-per-customer includes weather, the economy, energy prices, and energy efficiency; hence, the corresponding information is utilized to develop the forecast models for projecting the future growth of use-per-customer. The projected growth rate of retail energy sales is impacted by these underlying key factors.

With respect to the energy consumption per customer forecasts, FPL forecasted that its residential use per customer will be flat or slightly grow (as high as 0.4 percent on average) due to economic growth as well as increased adoptions of electric vehicles. The utility expects that its commercial use per customer will decline between 0.1 to 0.7 percent per year over the forecast horizon due to continued improvements to equipment efficiencies. DEF reported that its per customer usage for both residential and commercial classes are primarily driven by fluctuations in electric price, end-use appliance saturation and efficiency improvement, more stringent building codes, housing type/size, and space conditioning equipment energy source. In addition, the utility is aware that more recently, the customer's ability to self-generate has begun to make an impact. A small percentage of industrial/commercial customers have chosen to install their own natural gas generators, reducing energy consumption from the power grid. Similarly, residential and some commercial accounts have reduced their utility requirements by installing solar panels behind the meter. However, DEF also noted that the penetration of plug-in electric vehicles has grown, leading to an increase in residential use per customer, all else being equal. Each of these stated items is directly or indirectly incorporated in DEF's sales forecast. TECO echoed that increases in appliance/lighting efficiencies, energy efficiency in new homes, conservation efforts and changes of its customer housing mix are also the primary drivers affecting the decrease in per customer usage. Other TYSP Utilities likewise reported that the downward pressure to the growth trend in per customer energy consumption is due to advancements in technologies for energy efficiency,

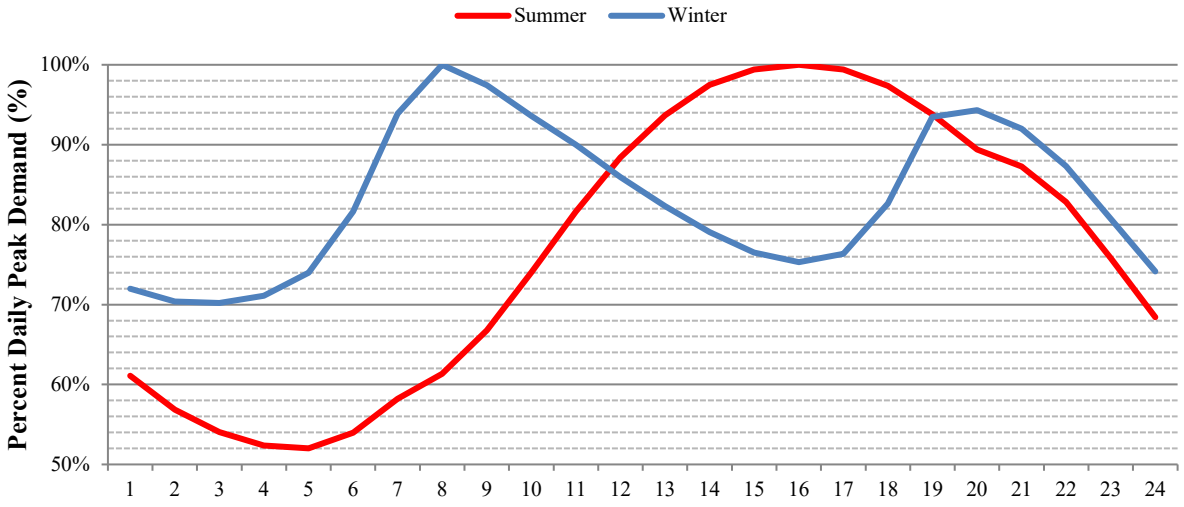
renewable generation, and alternative energy sources, with some utilities expecting that the increased electric vehicle charging will mitigate this downward pressure to some extent.

Peak Demand

The aggregation of each individual customer's electric consumption must be met at all times by Florida's electric utilities to ensure reliable service. The time at which customers demand the most energy simultaneously is referred to as peak demand. While retail energy sales dictate the amount of fuel consumed by the electric utilities to deliver energy, peak demand determines the amount of generating capacity required to deliver that energy at a single moment in time.

Seasonal weather patterns are a primary factor, with peak demands calculated separately for the summer and winter periods annually. The influence of residential customers is evident in the determination of these seasonal peaks, as they correspond to times of increased usage to meet home cooling (summer) and heating (winter) demand. Figure 8 illustrates a daily load curve for a typical day for each season. In summer, air-conditioning needs increase throughout the day, climbing steadily until a peak is reached in the late afternoon and then declining into the evening. In winter, electric heat and electric water heating produce a higher base level of usage, with a spike in the morning and an additional spike in the evening.

Figure 8: TYSP Utilities - Example Daily Load Curves

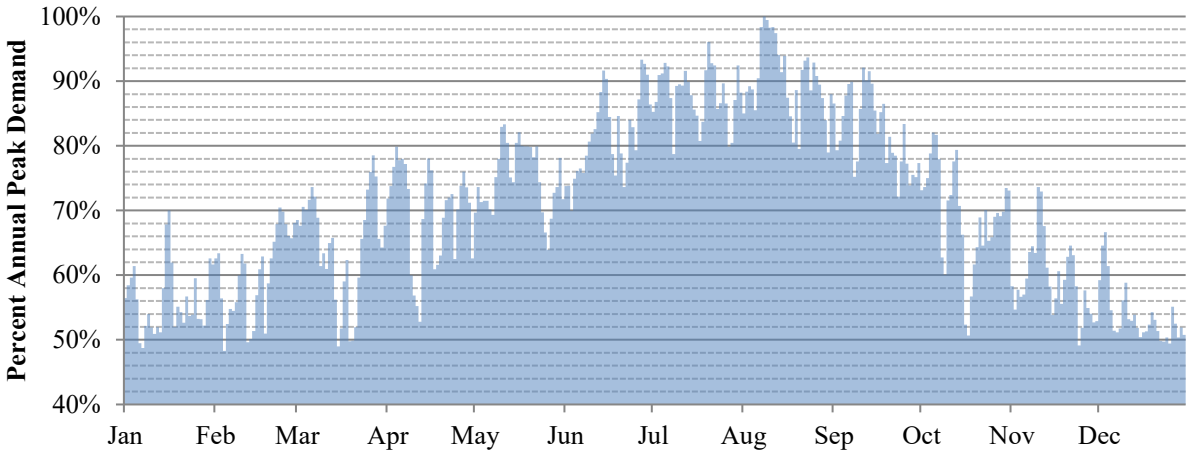


Source: TYSP Utilities' Data Responses

Florida is typically a summer-peaking state, meaning that the summer peak demand generally exceeds winter peak demand, and therefore controls the amount of generation required. Higher temperatures in summer also reduce the efficiency of generation, with high water temperatures reducing the quality of cooling provided, and can sometimes limit the quantity as units may be required to operate at reduced power or go offline based on environmental permits. Conversely, in winter, utilities can take advantage of lower ambient air and water temperatures to produce more electricity from a power plant.

As daily load varies, so do seasonal loads. Figure 9 shows the 2023 daily peak demand as a percentage of the annual peak demand for the reporting investor-owned utilities combined. Typically, winter peaks are short events while summer demand tends to stay at near annual peak levels for longer periods. The periods between seasonal peaks are referred to as shoulder months, in which the utilities take advantage of lower demand to perform maintenance without impacting their ability to meet daily peak demand.

Figure 9: TYSP Utilities - Daily Peak Demand (2023 Actual)



Source: 2024 TYSP Utilities' Data Responses (Investor-Owned Utilities Only)

Florida's utilities assume normalized weather in forecasts of peak demand. During operation of their systems, they continuously monitor short-term weather patterns. Utilities adjust maintenance schedules to ensure the highest unit availability during the utility's projected peak demand, bringing units back online if necessary or delaying maintenance until after a weather system has passed.

Electric Vehicles

Other trends that may impact customer peak demand and energy consumption are also examined by utilities, including new sources of energy consumption, such as electric vehicles (EVs). The reporting TYSP Utilities estimate approximately 428,607 electric plug-in vehicles will be operating in Florida by the end of 2024. The Florida Department of Highway Safety and Motor Vehicles lists the number of registered automobiles, heavy trucks, and buses in Florida, as of January 7, 2024 at 18.64 million vehicles, resulting in an approximate 2.30 percent penetration rate of electric vehicles, up from 1.52 percent last year.[4]

TYSP Utilities responded to a data request regarding projections of electric vehicle ownership, public charging stations, and impacts to their electric grid, and the details appear in Tables 2 through 5. As it relates to the responses received, OUC did not provide projections of EVs,

[4] Florida Department of Highway Safety and Motor Vehicles January 2024 Vehicle and Vessel Reports and Statistics.

charging stations, or EV demand/energy. Florida's retail electric utilities anticipate continued growth in the electric vehicle market, as illustrated in Table 2. Electric vehicle ownership is anticipated to grow rapidly throughout the planning period, resulting in approximately 4,312,553 EVs operating within the reporting utilities' electric service territories by the end of 2033.

Table 2: TYSP Utilities - Estimated Number of Electric Vehicles

Year	FPL	DEF	TECO	GRU	JEA	LAK	TAL	Total
2024	293,845	68,488	47,374	13,467	1,812	1,844	1,777	428,607
2025	428,132	104,185	67,251	16,526	2,226	2,379	2,220	622,919
2026	590,749	157,228	89,559	19,881	2,690	2,983	2,727	865,817
2027	787,129	234,412	114,145	23,577	3,211	3,650	3,331	1,169,455
2028	1,018,957	339,524	140,948	27,665	3,793	4,382	3,990	1,539,259
2029	1,287,414	474,718	169,854	32,169	4,440	5,183	4,731	1,978,509
2030	1,589,148	636,557	200,304	37,114	5,159	6,024	5,568	2,479,874
2031	1,929,264	822,895	231,346	42,493	5,951	6,873	6,442	3,045,264
2032	2,300,764	1,029,188	263,294	48,347	6,824	7,735	7,467	3,663,619
2033	2,695,021	1,242,094	295,772	54,689	7,781	8,595	8,601	4,312,553

Source: TYSP Utilities' Data Responses

The major drivers of EV growth include a combination of the following: increased availability of charging infrastructure, lower fuel costs and emissions, increased commitment from auto manufacturers, broadened public outreach, expanded vehicle availability (makes and models), and strong government policy support at the local, state, and federal levels. Government agencies, private entities, municipalities, and electric utilities continue to work together to expand charging infrastructure throughout the state to meet this expected growth in EVs as well as to promote electric vehicle ownership.

Table 3 illustrates the reporting electric utilities' projections of public EV charging stations through 2033. While approximately 16,000 charging stations are estimated to be available across the state by the end of 2024, more than 136,000 charging stations are anticipated by 2033. The estimated EV charging station counts listed in Table 3 include both normal and "quick-charge" public charging stations.[5]

[5] "Quick-charge" public EV charging stations are those that require a service drop greater than 240 volts and/or use three-phase power.

Table 3: TYSP Utilities - Estimated Number of Public EV Charging Stations

Year	FPL	DEF	TECO	GRU	JEA	LAK	TAL	Total
2024	12,770	1,905	710	200	94	25	135	15,839
2025	20,601	2,498	810	232	148	30	136	24,455
2026	29,392	3,246	916	266	179	40	137	34,176
2027	38,516	4,209	1,028	302	214	50	139	44,458
2028	48,807	5,395	1,147	341	253	55	140	56,138
2029	60,490	6,819	1,272	384	296	60	141	69,462
2030	72,659	8,450	1,404	430	344	65	142	83,494
2031	86,389	10,311	1,542	479	397	70	143	99,331
2032	100,511	12,397	1,687	532	455	75	145	115,802
2033	118,956	14,574	1,838	589	519	80	147	136,703

Source: TYSP Utilities' Data Responses

Table 4 illustrates the TYSP Utilities' projections of energy consumed by EVs through 2033. Across the TYSP Utilities, anticipated growth would result in an annual energy consumption of 14,862.4 GWh by 2033, which represents an impact of approximately 5.2 percent of net energy for load.[6]

Table 4: TYSP Utilities - Estimated Electric Vehicle Annual Energy Consumption (GWh)

Year	FPL	DEF	TECO	GRU	JEA	LAK	TAL	Total
2024	351.5	49.6	263.8	45.5	8.7	1.5	2.6	723.1
2025	816.1	143.2	352.8	58.2	10.7	1.5	3.5	1,386.0
2026	1,387.8	285.6	454.2	72.2	12.9	2.9	4.7	2,220.4
2027	2,092.6	496.1	564.9	87.6	15.4	4.4	6.3	3,267.4
2028	2,945.3	791.7	683.2	104.7	18.2	4.4	8.8	4,556.2
2029	3,957.4	1,182.5	810.4	123.5	21.3	4.4	12.0	6,111.4
2030	5,123.6	1,662.6	944.2	144.2	24.8	7.3	15.8	7,922.4
2031	6,523.6	2,220.8	1,080.8	166.8	28.6	7.3	20.0	10,047.9
2032	8,117.9	2,845.7	1,221.9	191.3	32.8	8.8	24.9	12,443.2
2033	9,696.5	3,506.0	1,365.5	218.0	37.3	8.8	30.3	14,862.4

Source: TYSP Utilities' Data Responses

Table 5 illustrates the TYSP Utilities' estimates of the effects of EV ownership on summer and winter peak demand through 2033. Across the TYSP Utilities, anticipated growth results in an impact to summer peak demand of approximately 3,503.4 MW and an impact to winter peak demand of approximately 1,319.6 MW by 2033. Current estimates represent a cumulative impact

[6] Estimate assumes a state-wide net energy for load of approximately 285,404 GWH by 2033, as discussed later in the Forecast Load and Peak Demand section of this TYSP.

of approximately 6.3 percent on summer peak demand and a 2.6 percent on winter peak demand by 2032.[7]

Table 5: TYSP Utilities – Estimated Electric Vehicle Impact – Seasonal Peak Demand

Summer Peak Demand (MW)

Year	FPL	DEF	TECO	GRU	JEA	LAK	TAL	Total
2024	86.3	13.7	50.1	3.9	7.7	1.0	0.5	163.3
2025	200.5	33.6	66.3	5.0	9.2	1.0	0.7	316.3
2026	340.9	63.0	84.9	6.2	11.0	2.0	0.9	508.9
2027	514.0	105.6	105.0	7.5	13.1	3.0	1.2	749.5
2028	723.5	164.1	126.5	9.0	15.5	3.0	1.7	1,043.3
2029	972.1	293.4	149.6	10.6	18.1	3.0	2.3	1,449.1
2030	1258.5	331.4	173.8	12.4	21.1	5.0	3.1	1,805.2
2031	1602.4	531.1	198.5	14.3	24.3	5.0	3.9	2,379.6
2032	1994.0	668.6	224.1	16.4	27.9	6.0	4.8	2,941.8
2033	2381.8	809.1	250.1	18.7	31.8	6.0	5.9	3,503.4

Winter Peak Demand (MW)

Year	FPL	DEF	TECO	GRU	JEA	LAK	TAL	Total
2024	37.3	0.4	16.8	1.0	7.7	1.0	0.1	64.3
2025	86.7	3.4	21.3	1.3	9.2	1.0	0.1	123.1
2026	147.4	8.3	26.9	1.6	11.0	2.0	0.2	197.5
2027	222.3	16.0	32.7	2.0	13.1	3.0	0.3	289.4
2028	312.9	27.8	38.8	2.3	15.5	3.0	0.5	400.9
2029	420.5	44.6	45.3	2.8	18.1	3.0	0.6	534.8
2030	544.4	67.4	52.0	3.2	21.1	5.0	0.9	694.0
2031	693.1	96.0	58.9	3.7	24.3	5.0	1.2	882.3
2032	862.5	130.9	66.1	4.3	27.9	6.0	1.5	1,099.2
2033	1030.2	171.4	73.4	4.9	31.8	6.0	1.9	1,319.6

Source: TYSP Utilities' Data Responses

In order to prepare for and to accommodate the inevitable increase in EV ownership, several utilities now offer programs or tariffs applicable to EV customers. While the nature of these programs/tariffs vary among utilities, many include Time-of-Use (TOU) rates, rebates on certain charging station installations, and programs designed to increase general outreach, education, and awareness of the EV market.

[7] Estimate assumes a state-wide net firm summer peak demand of approximately 55,956 MW and a net firm winter peak demand of approximately 51,076 MW by 2033, as discussed later in the Forecast Load and Peak Demand section of this TYSP.

In addition to the increase in general outreach, etc. for EV market awareness and education, some utilities currently operate specific EV pilot programs in order to investigate potential unknowns associated with the market. These programs have been established either as independently initiated programs or as part of rate case settlement agreements. Most of the programs are multi-year pilot programs which include extensive investments in electric vehicle charging infrastructure and market research. EV Pilot programs serve to provide the utilities insight for assessment as to whether such programs/tariffs should be continued, expanded, made permanent, or discontinued. These pilot programs also provide the Commission with valuable information, such as individual charging session data, peak EV charging hours, and impacts to peak demand - via annual updates from the utilities with regard to their respective pilot programs. The Commission will continue to closely monitor the key findings and metrics of interest within these pilot programs in order to be prepared to address any regulatory issues associated with the future energy and demand impacts of electric vehicles in Florida.

Demand-Side Management (DSM)

Florida's electric utilities also consider how the efficiency of customer energy consumption changes over the planning period. Changes in government mandates, such as building codes and appliance efficiency standards, reduce the amount of energy consumption for new construction and electric equipment. Electric customers, through the power of choice, can elect to engage in behaviors that decrease peak load or annual energy usage. Examples include: turning off lights and fans in vacant rooms, increasing thermostat settings in the summer, and purchasing appliances that go beyond efficiency standards. While a certain portion of customers will engage in these activities without incentives due to economic, aesthetic, or environmental concerns, other customers may lack information or require additional incentives. DSM programs represents an area where Florida's electric utilities can empower and educate its customers to make choices that reduce peak load and annual energy consumption.

Florida Energy Efficiency and Conservation Act (FEECA)

In 1980, the Florida Legislature established FEECA, which consists of Sections 366.80 through 366.83 and Section 403.519, F.S. Under FEECA, the Commission is required to set appropriate goals for increasing the efficiency of energy consumption and increasing the development of demand-side renewable energy systems for electric utilities of a certain size, known as the FEECA Utilities.[8] Of the TYSP Utilities, these include the three investor-owned electric utilities, FPL, DEF, TECO, and two municipal electric utilities, JEA and OUC. The FEECA Utilities represented approximately 86.2 percent of 2023 retail electric sales reported by the TYSP Utilities.

The FEECA Utilities currently offer demand-side management programs for residential, commercial, and industrial customers. Energy audit programs are designed to provide an overview of customer energy usage and to evaluate conservation opportunities, including behavioral changes, low-cost measures customers can undertake themselves, and participation in utility-sponsored DSM programs.

[8] FEECA also applies to Florida Public Utilities Company, a non-generating investor-owned electric utility. As FPUC purchases power from other generating entities and does not own or operate its own generation resources, it is not required to file a Ten-Year Site Plan.

In 2024, the Commission held a hearing and established goals for each of the FEECA Utilities for the period 2025 through 2034. Each FEECA electric utility will be required to submit a proposed DSM Plan, designed to meet its goals within 90 days of the final order establishing the goals. These proceedings are anticipated to be completed during 2025. The Commission is scheduled to have its next goalsetting proceeding no later than 2029 for the period 2030 through 2039.

DSM Programs

DSM Programs generally are divided into three categories: interruptible load, load management, and energy efficiency. The first two are considered dispatchable, and are collectively known as demand response, meaning that the utility can call upon them during a period of peak demand or other reliability concerns, but otherwise they are not utilized. In contrast, energy efficiency measures are considered passive and are always working to reduce customer demand and energy consumption.

Interruptible load is achieved through the use of agreements with large customers to allow the utility to interrupt the customer's load, reducing the generation required to meet system demand. Interrupted customers may use back-up generation to fill their energy needs, or cease operation until the interruption has passed. A subtype of interruptible load is curtailable load, which allow the utility to interrupt only a portion of the customer's load. In exchange for the ability to interrupt these customers, the utility offers a discounted rate for energy or other credits which are paid for by all ratepayers.

Load management is similar to interruptible load, but focuses on smaller customers and targets individual appliances. The utility installs a device on an electric appliance, such as a water heater or air conditioner, which allows for remote deactivation for a short period of time. Load management activations tend to have less advanced notice than those for interruptible customers, but tend to be activated only for short periods and are cycled through groups of customers to reduce the impact to any single customer. Due to the focus on specific appliances, certain appliances would be more appropriate for addressing certain seasonal demands. For example, load management programs targeting air conditioning units would be more effective to reduce a summer peak, while water heaters are more effective for reducing a winter peak. As of 2024, the total amount of demand response resources available for reduction of peak load is 3,151 MW for summer peak and 2,965 MW for winter peak. Demand response is anticipated to decline to approximately 3,082 MW for summer peak and 2,937 MW for winter peak by 2033. Residential load management is anticipated to decline slightly, while interruptible load is level and commercial/industrial demand response has a slight increase.

Energy efficiency or conservation measures also have an impact on peak demand, and due to their passive nature do not require activation by the utility. Conservation measures include improvements in a home or business' building envelope to reduce heating or cooling needs, or the installation of more efficient appliances. By installing additional insulation, energy-efficient windows or window films, and more efficient appliances, customers can reduce both their peak demand and annual energy consumption, leading to reductions in customer bills. Demand-side management programs work in conjunction with building codes and appliance efficiency standards to increase energy savings above the minimum required by local, state, or federal regulations. As of December 31, 2023, energy efficiency is responsible for peak load reductions of 4,617 MW for

summer peak and 4,084 MW for winter peak. Energy efficiency is anticipated to increase to approximately 5,967 MW for summer peak and 5,235 MW for winter peak by 2033.

Forecast Load and Peak Demand

The historic and forecasted seasonal peak demand and annual energy consumption values for Florida are illustrated in Figure 10. The forecasts shown below are based upon normalized weather conditions, while the historic demand and energy values represent the actual impact of weather conditions on Florida's electric customers. Florida relies heavily upon both air conditioning in the summer and electric heating in the winter, so both seasons experience a great deal of variability due to severe weather conditions. Forecasted net energy for load in 2024 is lower than the actual net energy for load in 2023. This is because of warmer weather conditions in 2023, and normalized weather trends were used to forecast 2024 through 2033.

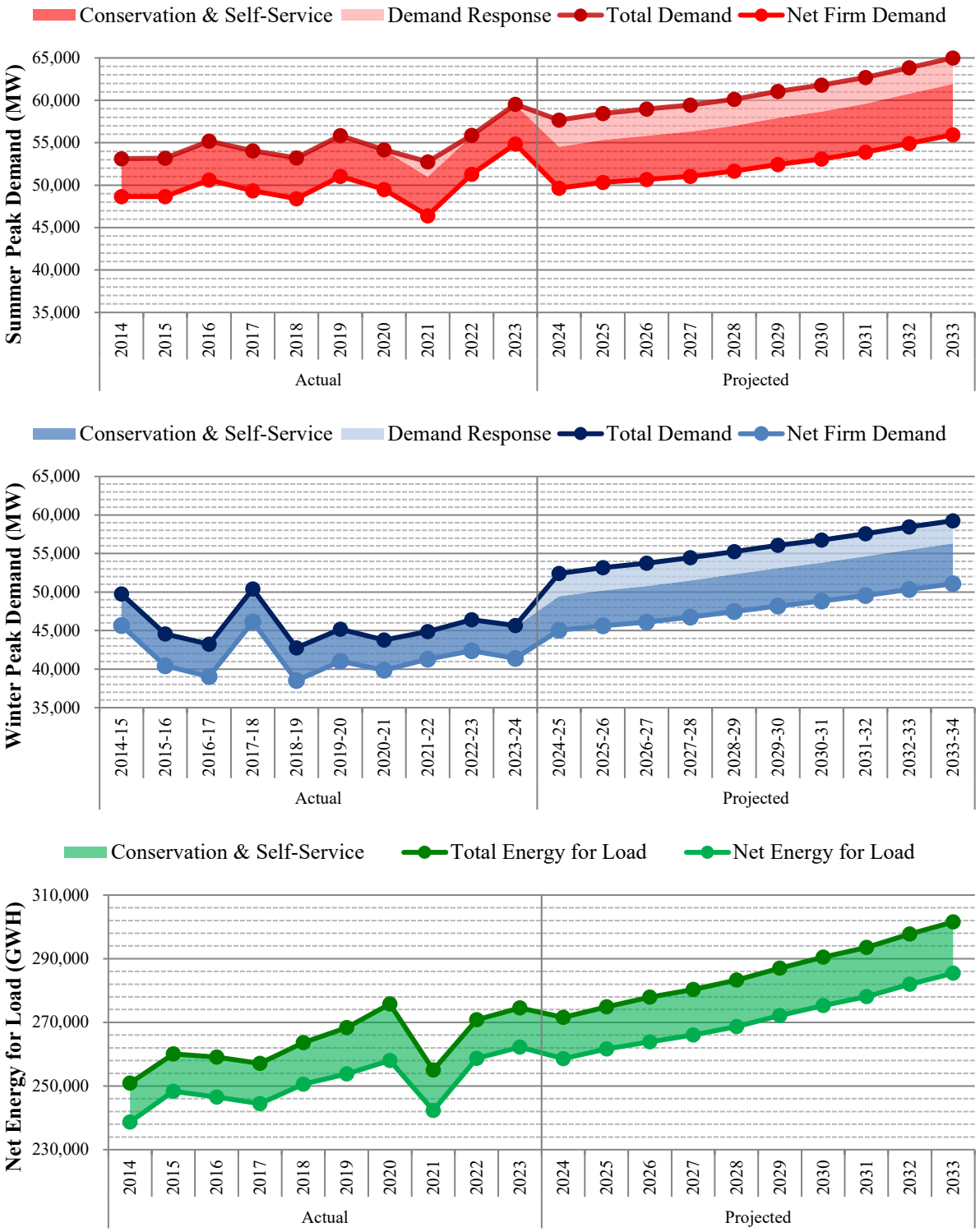
Demand-side management, including demand response and energy efficiency, along with self-service generation, is included in each graph appearing in Figure 10 for seasonal peak demand and annual energy for load. The total demand or total energy for load represents what otherwise would need to be served if not for the impact of these programs and self-service generators. The net firm demand is used as a planning number for the calculation of generating reserves and determination of generation needs for Florida's electric utilities.

Demand response is included in Figure 10 in two different ways based upon the time period considered. For historic values of seasonal demand, the actual rates of demand response activation are shown, not the full amount of demand response that was available at the time. Overall, demand response has only been partially activated as sufficient generation assets were available during the annual peak. Residential load management has been called upon to a limited degree during peak periods, with a lesser amount of interruptible load activated.

For forecast values of seasonal demand, it is assumed that all demand response resources will be activated during peak. The assumption of all demand response being activated reduces generation planning need. Based on operating conditions in the future, if an electric utility has sufficient generating units, and it is economical to serve all customers' load, demand response would not be activated or only partially activated in the future.

As previously discussed, Florida is normally a summer-peaking state and was for the past 10 years. This trend is anticipated to continue, with the next 10 forecasted years all anticipated to be summer peaking. Based upon current forecasts using normalized weather data, Florida's electric utilities anticipate a gradual increase in both summer and winter net firm demand during the planning period.

Figure 10: State of Florida - Historic & Forecast Seasonal Peak Demand & Annual Energy



Source: FRCC 2024 Regional Load and Resource Plan

Forecast Methodology

Load forecasting is an essential requirement of all electric utility companies for purposes of system planning. In order for utilities to reliably and cost-effectively serve their respective customers, they must be able to accurately determine their energy and demand requirements. Thus, the load forecast function facilitates the ongoing balance between system demand and system supply.

Load forecasting can be divided into three types depending on the forecasting horizon: short, medium and long-term. Short-term load forecasting denotes forecast horizons of up to one week ahead. Medium-term load forecasting ranges from one week to one year ahead. Long-term load forecasting typically targets forecast horizons of one to ten years, and sometimes up to several decades. Long-term load forecasting provides the essential load requirement data that a utility must have in order to effectively modify its system of generation, transmission, and distribution assets. Load forecasts directly impact the timing, type, and location of expansions, replacements, and retirements. Hence, the load forecast function plays a vital role in an electric utility's system planning and, in Florida, serves as the foundation of a utility's Ten-Year Site Plan (TYSP).

Florida's electric utilities perform long-term forecasts of peak demand and annual energy sales using various forecasting models, including econometric and end-use models, and other forecasting techniques such as surveys. In the development of econometric models, the utilities use historical data sets including dependent variables (e.g., winter and summer peak demand per customer, residential energy use per customer) and independent variables (e.g., peak day minimum temperature, real personal income, heating degree days and cooling degree days, etc.) to infer relationships between the two types of variables. These historical relationships, combined with available forecasts of the independent variables and the utilities' forecasts of customers, are then used to forecast the peak demand and energy sales. For some customer classes, such as industrial customers, surveys may be conducted to determine the customers' specific expectations for their own future electricity consumption.

Forecasting models for energy sales are prepared by revenue class (e.g., residential, small and large commercial, small and large industrial, etc.). Commonly, the results of the models must be adjusted to take into account exogenous impacts, such as the impact of the recent growth in electric vehicles and distributed generation. The forecasting models for energy sales must also take into account demand-side management.

Another type of forecasting model, sometimes used to project energy use in conjunction with econometric models, is an "end-use model." These models can capture trends in appliance and equipment saturation and efficiency, as well as building size and thermal efficiency, on customers' energy use. If such end use models are not used, the econometric models for energy often include an index comprised of efficiency standards for air conditioning, heating, and appliances, as well as construction codes for recently built homes and commercial buildings.

Florida's electric utilities rely upon data which is sourced from public and private entities for historic and forecast values of specific independent variables used in econometric modeling. Public resources such as the University of Florida's Bureau of Economic and Business Research, which provides county-level data on population growth, and the U.S. Department of Commerce's Bureau of Labor Statistics, which publishes the Consumer Price Index, are utilized along with private

forecasts for economic growth from macroeconomic experts, such as Moody's Analytics. By combining historic and forecast macroeconomic data with customer and climate data, Florida's electric utilities project future load conditions.

Historically, the various forecast models and techniques used by Florida's electric utilities are commonly used throughout the industry, and each utility has developed its own individualized approach to project load. The models have relied upon dependent and independent variable data to project energy sales and demand amounts that exist within a probabilistic range. The resulting forecasts allow each electric utility to evaluate its individual needs for new generation, transmission, and distribution resources to meet customers' current and future needs reliably and affordably. Again for the 2024 TYSPs, Florida's electric utilities used these same types of models and techniques to prepare their forecasts.

Accuracy of Retail Energy Sales Forecast

For each reporting electric utility, the Commission reviewed the historic forecast accuracy of past retail energy sales forecasts. The standard methodology for our review involves comparing actual retail energy sales for a given year to energy sales forecasts made three, four, and five years prior. For example, the actual 2023 retail energy sales were compared to the forecasts made in 2018, 2019, and 2020. The resulting differences, expressed as a percentage error rate, are used to determine each utility's historic forecast accuracy by applying a five-year rolling average. An average error with a negative value indicates an under-forecast, while a positive value represents an over-forecast. An absolute average error provides an indication of the total magnitude of error, regardless of the tendency to under or over forecast. For the 2024 TYSPs, determining the accuracy of the five-year rolling average forecasts involves comparing the actual retail energy sales for the period 2014 through 2023 to forecasts made between 2005 and 2020. These are summarized in Table 6.

Table 6: TYSP Utilities - Accuracy of Retail Energy Sales Forecasts
(Five-Year Rolling Average)

Year	Five-Year Analysis Period	Forecast Years Analyzed	Forecast Error (%)	
			Average	Absolute Average
2014	2014 - 2010	2011 - 2005	14.95%	14.95%
2015	2015 - 2011	2012 - 2006	12.48%	12.48%
2016	2016 - 2012	2013 - 2007	9.11%	9.11%
2017	2017 - 2013	2014 - 2008	5.96%	5.96%
2018	2018 - 2014	2015 - 2009	3.47%	3.47%
2019	2019 - 2015	2016 - 2010	2.13%	2.32%
2020	2020 - 2016	2017 - 2011	1.58%	2.04%
2021	2021 - 2017	2018 - 2012	1.04%	1.61%
2022	2022 - 2018	2019 - 2013	-0.13%	1.36%
2023	2023 - 2019	2020 - 2014	-1.02%	1.59%

Source: 2005-2024 Ten-Year Site Plans
* Inputs used including utilities' revisions to the corresponding prior TYSP-reported actual and/or projected data.

To verify whether more recent forecasts lowered the error rates, an additional analysis was conducted to determine, with more detail, the source of high error rates in terms of forecast timing. Table 7 provides the error rates for forecasts made between one to six years prior, along with the three-year average and absolute average error rates for the forecasting period of a three to five-year period that was also used in the analysis in Table 6.

As displayed in Table 7, the utilities' retail energy sales forecasts show large positive error rates during the recession-impacted period 2012 through 2015. Starting in 2015, the error rates have declined considerably; and, the error rates calculated based on recent years' TYSPs continue to show lower forecast error rates, compared to the peak value of the error rates related to 2012-2014 sales forecasts. Most of the last four years' four-year ahead forecasts and the last five years' three-year ahead forecasts all bear negative error rates (under-forecasts). Additionally, the last six years' two-year ahead forecasts and one-year ahead forecasts render negative error rates as well. Note that all of the 2022- and 2023-related forecasts made between one to six years prior show relatively higher negative error rates. This is due to the respective annual retail energy sales achieved which is largely attributable to the very hot weather Florida experienced in 2022 and 2023.

Table 7: TYSP Utilities - Accuracy of Retail Energy Sales Forecasts - Annual Analysis
(Analysis of Annual and Three-Year Average of Three- to Five- Prior Years)*

Year	Annual Forecast Error Rate (%)						3-5 Year Error (%)	
	Years Prior						Average	Absolute Average
	6	5	4	3	2	1		
2012	26.43%	26.12%	23.16%	8.58%	4.01%	3.81%	19.29%	19.29%
2013	28.58%	26.29%	10.00%	5.98%	5.58%	2.97%	14.09%	14.09%
2014	27.15%	9.69%	6.00%	5.62%	2.73%	2.11%	7.10%	7.10%
2015	7.18%	3.53%	3.13%	0.92%	-0.10%	-1.27%	2.52%	2.52%
2016	4.22%	4.27%	2.18%	1.14%	0.10%	-1.07%	2.53%	2.53%
2017	6.87%	4.82%	3.48%	2.42%	1.45%	-0.18%	3.57%	3.57%
2018	4.16%	2.65%	1.64%	0.64%	-1.25%	-1.19%	1.64%	1.64%
2019	2.77%	1.86%	0.75%	-1.40%	-1.42%	-2.03%	0.40%	1.34%
2020	2.44%	1.27%	-0.97%	-1.07%	-1.91%	-1.22%	-0.25%	1.10%
2021	2.58%	0.35%	0.02%	-0.80%	-0.05%	0.03%	-0.15%	0.39%
2022	-1.60%	-1.87%	-2.85%	-2.23%	-2.13%	-3.06%	-2.32%	2.32%
2023	-2.09%	-3.27%	-2.68%	-2.45%	-3.16%	-2.63%	-2.80%	2.80%

Source: 2005-2024 Ten-Year Site Plans
*Inputs used include utilities' revisions to the corresponding prior TYSP-reported actual and/or projected sales data.

Barring any unforeseen economic crises or atypical weather patterns, average forecasted energy sales error rates in the next few years are likely to be more reflective of the error rates shown for 2015 through 2022 in Table 7. However, all the major global and domestic events (e.g., the Russo-Ukrainian War, pandemic, supply chain issues, high inflation rates, potential recession, etc.), individually or collectively, could inflict damage to the US economy. As such, there remains uncertainty as to what the economic impacts of such events will be going forward. Therefore, the actual retail energy sales of the next few years could be different from what Florida utilities projected in 2023 and prior years. Consequently, the average forecasted energy sales error rates in

the next few years may deviate from the lower levels recently recorded. It is important to recognize that the dynamic nature of the economy, the weather, and even global health, political and economic issues present a degree of uncertainty for Florida utilities' load forecasts, ultimately impacting the accuracy of retail energy sales forecasts.

Renewable Generation

Pursuant to Section 366.91, F.S., the Legislature has found that it is in the public interest to promote the development of renewable energy resources in Florida. Section 366.91(2)(e), F.S., defines renewable energy in part, as follows:

> "Renewable energy" means electrical energy produced from a method that uses one or more of the following fuels or energy sources: hydrogen produced or resulting from sources other than fossil fuels, biomass, solar energy, geothermal energy, wind energy, ocean energy, and hydroelectric power.

Although not considered a traditional renewable resource, some industrial plants take advantage of waste heat, produced in production processes, to also provide electrical power via cogeneration. Phosphate fertilizer plants, which produce large amounts of heat in the manufacturing of phosphate from the input stocks of sulfuric acid, are a notable example of this type of renewable resource. The Section 366.91(2)(e), F.S., definition also includes the following language which recognizes the aforementioned cogeneration process:

> The term [Renewable Energy] includes the alternative energy resource, waste heat, from sulfuric acid manufacturing operations and electrical energy produced using pipeline-quality synthetic gas produced from waste petroleum coke with carbon capture and sequestration.

Existing Renewable Resources

Currently, renewable energy facilities provide approximately 11,470 MW of firm and non-firm generation capacity, which represents 16 percent of Florida's overall generation capacity of 71,505 MW in 2023. Table 8 summarizes the contribution by renewable type of Florida's existing renewable energy sources.

Table 8: State of Florida - Existing Renewable Resources

Renewable Type	MW	% Total
Solar	10,000	87.2%
Municipal Solid Waste	473	4.1%
Biomass	380	3.3%
Waste Heat	227	2.0%
Wind	272	2.4%
Landfill Gas	67	0.6%
Hydroelectric	51	0.4%
Renewable Total	**11,470**	100.0%

Source: FRCC 2024 Regional Load and Resource Plan and TYSP Utilities' Data Responses

Of the total 11,470 MW of renewable generation, approximately 3,937 MW are considered firm, based on either operational characteristics or contractual agreement. Firm renewable generation can be relied on to serve customers and can contribute toward the deferral of new fossil fuel power plants. Solar generation contributes approximately 3,499 MW to this total, based upon the

coincidence of solar generation and summer peak demand, or about 34 percent of its installed capacity. Changes in timing of peak demand may influence the firm contributions of renewable resources such as solar and wind.

Of the 1,470 MW of non-solar generation, only 438 MW is treated as firm because of contractual commitments. The remaining renewable generation can generate energy on an as-available basis or for internal use (self-service). As-available energy is considered non-firm, and cannot be counted on for reliability purposes; however, it can contribute to the avoidance of burning fossil fuels in existing generators. Self-service generation reduces demand on Florida's utilities.

Utility-Owned Renewable Generation

Utility-owned renewable generation also contributes to the state's total renewable capacity, including 7,410 MW of installed capacity. The majority of this generation is from solar facilities. Due to the intermittent nature of solar resources, capacity from these facilities has previously been considered non-firm for planning purposes. However, several utilities are attributing firm capacity contributions to their solar installations based on the coincidence of solar generation and summer peak demand. Of the approximately 7,254 MW of existing utility-owned solar capacity, approximately 3,628 MW, or about 48 percent, is considered firm. All other renewable sources account for an additional 157 MW of utility-owned generation.

Non-Utility Renewable Generation

Approximately 4,059 MW, or 35 percent of Florida's existing renewable capacity is not owned by utilities, either from large supply-side non-utility generators or small distributed customer owned generation. Approximately 1,708 MW of that comes from supply side resources from non-utility generators such as cogeneration facilities and renewable energy power plants with a capacity no greater than 80 MW (collectively referred to as Qualifying Facilities or QFs). In 1978, the US Congress enacted the Public Utility Regulatory Policies Act (PURPA), which requires utilities to purchase electricity from QFs at the utility's full avoided cost. These costs are defined in Section 366.051, F.S., which provides in part that:

> A utility's "full avoided costs" are the incremental costs to the utility of the electric energy or capacity, or both, which, but for the purchase from cogenerators or small power producers, such utility would generate itself or purchase from another source.

If a renewable energy generator can meet certain deliverability requirements, its capacity and energy output can be paid for under a firm contract. Rule 25-17.250, F.A.C., requires each investor-owned utility to establish a standard offer contract with timing and rate of payments based on each fossil-fueled generating unit type identified in the utility's Ten-Year Site Plan. In order to promote renewable energy generation, the Commission requires the investor-owned utilities to offer multiple options for capacity payments, including the options to receive early (prior to the in-service date of the avoided-unit) or levelized payments. The different payment options allow renewable energy providers the option to select the payment option that best fits its financing requirements, and provides a basis from which negotiated contracts can be developed.

As previously discussed, large amounts of renewable energy is generated on an as-available basis. As-available energy is energy produced and sold by a renewable energy generator on an hour-by-hour basis for which contractual commitments as to the quantity and time of delivery are not required. As-available energy is purchased at a rate equal to the utility's hourly incremental system fuel cost, which reflects the highest fuel cost of generation each hour.

Demand-Side Renewable Generation

Approximately 2,351 MW, or 21 percent of existing renewable capacity is from customer-owned systems, also referred to as demand-side renewable systems. Rule 25-6.065, F.A.C., requires the investor-owned utilities to offer net metering for all types of renewable generation up to 2 MW in capacity and a standard interconnection agreement with an expedited interconnection process. Net metering allows a customer with renewable generation capability, to offset their energy usage. In 2008, the effective year of Rule 25-6.065, F.A.C., customer-owned renewable generation accounted for 3 MW of renewable capacity. As of the end of 2023, approximately 2,351 MW of renewable capacity from over 249,521 systems has been installed statewide. Table 9 summarizes the growth of customer-owned renewable generation interconnections. Almost all installations are solar, with non-solar generation accounting for only 28 installations and 7 MW of installed capacity. The renewable generators in this category include wind turbines and anaerobic digesters.

Table 9: State of Florida - Customer-Owned Renewable Growth

Year	2017	2018	2019	2020	2021	2022	2023
Number of Installations	24,166	37,862	59,508	90,552	103,947	189,952	249,521
Installed Capacity (MW)	205	317	514	835	1,177	1,780	2,351

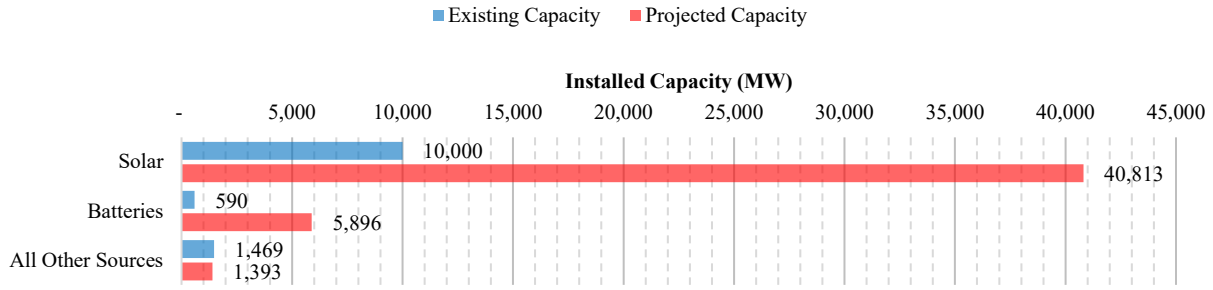
Source: 2017-2024 Net Metering Reports

Planned Renewable Resources

Florida's total renewable resources are expected to increase by an estimated 30,737 MW over the 10-year planning period, an increase from last year's estimated 27,630 MW projection. Figure 11 summarizes the existing and projected renewable capacity by generation type as well as energy storage capacity in the form of batteries. Solar generation, primarily utility-owned, is the sole renewable type projected to increase over the planning horizon. While solar generation is covered under the Power Plant Siting Act, all future solar projects are below the 75 MW threshold, and therefore are not required to seek approval from the Commission prior to construction.

Of the 30,737 MW projected net increase in renewable capacity, firm resources contribute 4,351 MW, or about 14 percent, of the total. This net increase value takes into account that for some existing renewable facilities are retired or contracts for firm capacity are projected to expire within the 10-year planning horizon, decreasing renewable capacity by 76 MW. If new contracts are signed in the future to replace those that expire, these resources will once again be included in the state's capacity mix to serve future demand. If these contracts are not extended, the renewable facilities could still deliver energy on an as-available basis.

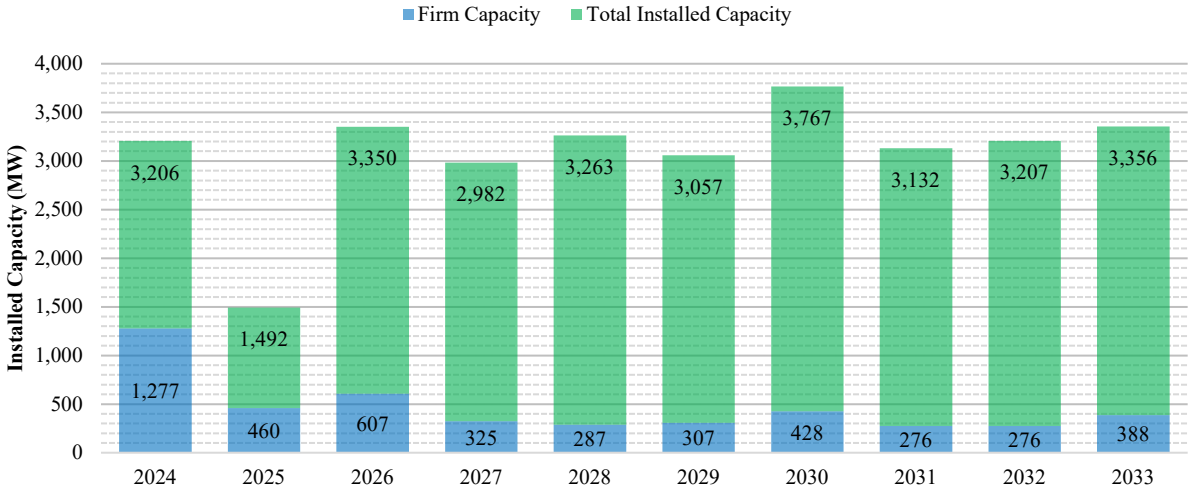
Figure 11: State of Florida - Current and Projected Renewable Resources



Source: FRCC 2024 Regional Load and Resource Plan and TYSP Utilities' Data Responses

As noted above, solar generation is anticipated to increase significantly over the 10-year period, with a net total of 30,813 MW to be installed. This consists of 27,366 MW of utility-owned solar and 3,447 MW of contracted solar. The firm contribution of solar varies by utility, with some having a set percentage value for all projects over the planning period, and others having a declining value as projects are added. Figure 12 provides an overview of the additional solar capacity generation planned within the next 10 years, as well as the amount considered firm for summer reserve margin planning.

Figure 12: TYSP Utilities - Planned Solar Installations

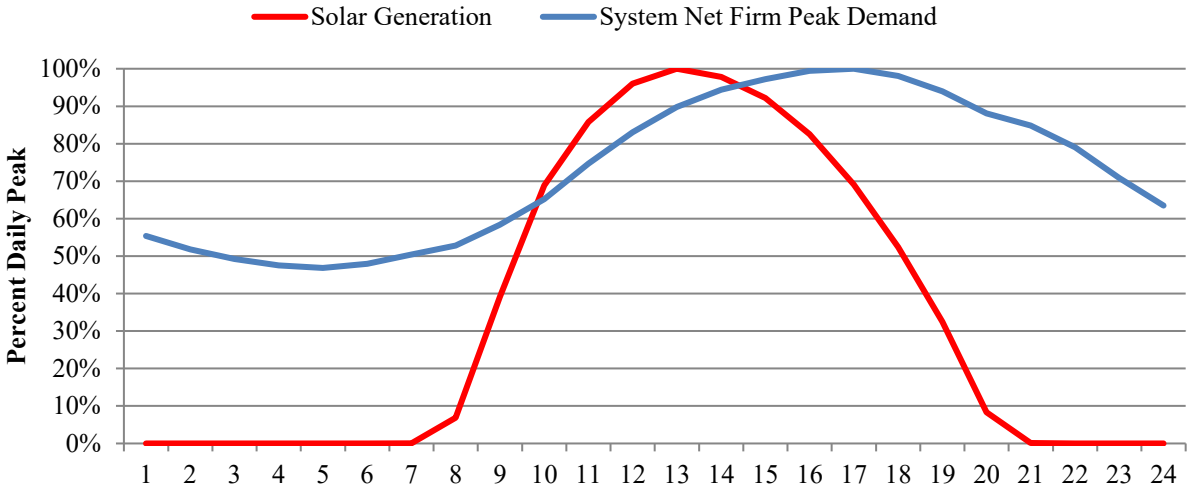


Source: FRCC 2024 Regional Load and Resource Plan and TYSP Utilities' Data Responses

As the amount of solar increases in the state, the difference in how it operates compared to traditional generation will have an increasing importance to the grid. Solar generation cannot be dispatched as needed, but is produced based upon the conditions at the plant site, influenced by variations in daylight hours, cloud cover, and other environmental factors. Generally speaking, the peak hours for production of a solar facility are closer to noon, whereas the peak in system demand tends to be in the early evening in summer and early morning in winter. Figure 13 illustrates this

with example data from FPL's 2023 TYSP hourly dispatch model for their 2024 summer peak day. While solar generation peaks at 1:00 p.m., the net firm system demand peaks at 5:00 p.m., when solar generation is only at 69 percent of its daily peak. By 6:00 p.m., demand remains high, at 98 percent of its daily peak, while solar generation falls to 52 percent. Energy storage and other technologies to shift load, such as demand-side management programs or demand response, can be used to offset these characteristics.

Figure 13: FPL 2024 Summer Peak Day Hourly Dispatch



Source: 2023 FPL Data Response

Energy Storage Outlook

In addition to a number of electric grid related applications, emerging energy storage technologies have the potential to considerably increase not only the firm capacity contributions from solar PV installations, but their overall functionality as well. Energy storage technologies currently being researched include pumped hydropower, flywheels, compressed air, thermal storage, and battery storage. Of these technologies, battery storage is primarily planned and used by utility companies. Battery storage has been proposed to be connected directly to the grid, behind the meter box (net metering) or connected directly to a Solar/PV unit. Battery storage technology has continued to advance, and the cost of storage is projected to continue to decline over the long-term, aided, in part, by continued tax credits from the Inflation Reduction Act.

Currently, Florida's utilities have primarily engaged in small pilot programs to determine the best placement and usage for energy storage technologies, including behind the customer's meter, at distribution substations, and at generating facilities. Each use case has its own benefits, to allow customers to ride out outages (net metering), improve reliability and decrease line losses (distribution substations), or provide firm capacity to the grid (at generating facilities). Currently, the TYSP Utilities have 590 MW of installed energy storage, primarily batteries, with the single largest installation being FPL's 409 MW Manatee battery storage site.

Over the next decade, utilities are anticipating adding approximately 5,305 MW of energy storage, primarily directly on the transmission system or connected to a specific power plant. While energy storage is discussed here within the context of renewables, as they provide firming for intermittent solar facilities, grid connected batteries will not be restricted to charging from renewable sources. These units can be charged using any source during off-peak periods, either from solar or fossil generation. To the extent solar generation is charging batteries it is also not offsetting fossil generation that otherwise would be occurring on the grid during the same period. Some energy storage will be directly connected to a specific renewable power plant however. For example, DEF will be constructing combined solar and energy storage systems, with 40 MW of planned energy storage capacity per 74.9 MW solar site. As these systems are associated with a particular facility, the improved firm contribution has already been included in the prior discussion regarding solar firm capacity.

Traditional Generation

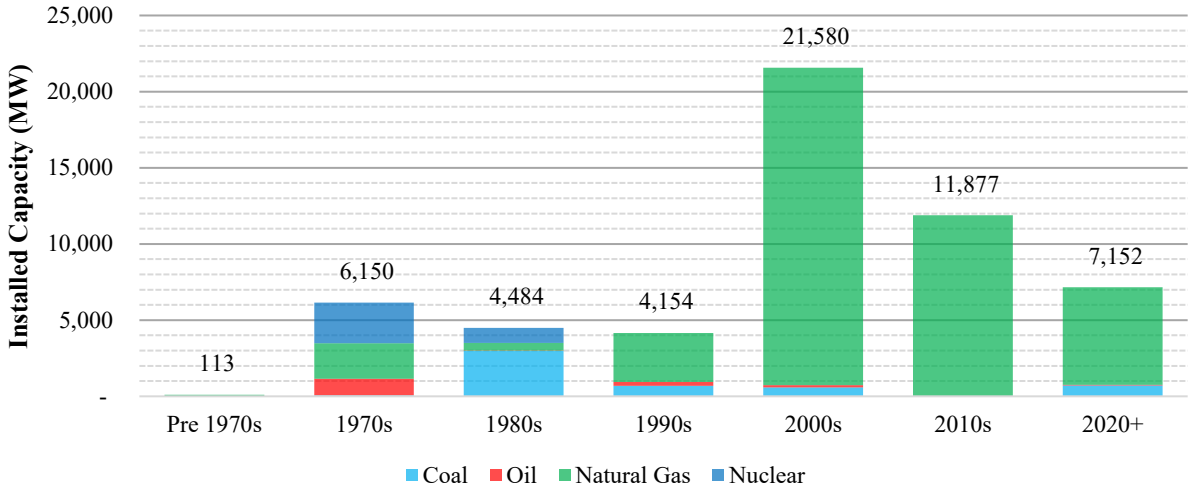
While renewable generation increases its contribution to the state's generating capacity, a majority of generation is projected to come from traditional sources, such as fossil-fueled steam and combustion turbine generators that have been added to Florida's electric grid over the last several decades. Due to forecasted increases in peak demand, further traditional resources are anticipated over the planning period.

Florida's electric utilities have historically relied upon several different fuel types to serve customer load. Previous to the oil embargo, Florida used oil-fired generation as its primary source of electricity until the increase in oil prices made this undesirable. Since that time, Florida's electric utilities have sought a variety of other fuel sources to diversify the state's generation fleet and more reliably and affordably serve customers. Numerous factors, including swings in fuel prices, availability, environmental concerns, and other factors have resulted in a variety of fuels powering Florida's electric grid. Solid fuels, such as coal and nuclear, increased during the shift away from oil-fired generation, and more recently natural gas has emerged as the dominant fuel type in Florida.

Existing Generation

Florida's generating fleet includes incremental new additions to a historic base fleet, with units retiring as they become uneconomical to operate or maintain. Currently, Florida's existing capacity ranges greatly in age and fuel type, and legacy investments continue. The weighted average age of Florida's traditional generating units is 21 years. While the original commercial in-service date may be in excess of 50 years for some units, they are constantly maintained as necessary in order to ensure safe and reliable operation, including uprates from existing capacity, which may have been added after the original in-service date. Figure 14 illustrates the decade in which current operating generating capacity was originally added to the grid, with the largest additions occurring in the 2000s.

Figure 14: State of Florida - Electric Utility Installed Capacity by Decade



Source: FRCC 2024 Regional Load and Resource Plan

The existing generating fleet will be impacted by several events over the planning period. New and proposed environmental regulations may require changes in unit dispatch, fuel switching, or installation of pollution control equipment which may reduce net capacity. Modernizations will allow more efficient resources to replace older generation, while potentially reusing power plant assets such as transmission and other facilities, switching to more economic fuel types, or uprates at existing facilities to improve power output. Lastly, retirements of units which can no longer be economically operated and maintained or meet environmental requirements will reduce the existing generation.

Impact of EPA Rules

On April 24, 2024, the EPA published the final rule, Greenhouse Gas Standards and Guidelines for Fossil Fuel-Fired Power Plants. Section 111 of the CAA directed the EPA to determine the best system of emission reduction (BSER), determine the degree of emission limitation achievable through the application of that system, and impose an emissions limit on new stationary sources that reflected that amount.

For existing coal-fired units, the final EPA rule identifies three subcategories based on how far into the future these plants plan to operate. Plants that plan to permanently cease operation prior to January 1, 2032, have no emission reduction guidelines under the final ruling. Plants that plan to cease operation by January 1, 2039, will be assigned a numeric emission rate limit based on 40 percent natural gas co-firing that they must meet by January 1, 2030. Plants that plan to operate past January 1, 2039, will be assigned a numeric emission rate limit based on application of carbon capture and sequestration (CCS) with 90 percent capture that must be met by January 1, 2032.

For new combustion turbines, the final rule establishes three subcategories based on how intensively they are operated: baseload, intermediate load, and low load. Baseload is defined as units with a capacity factor of at least 40 percent. Compliance for new base load turbines is broken down into two phases. Phase One includes highly efficient generation. Phase Two requires utilization of CCS with 90 percent capture by January 1, 2032. Intermediate load is defined as units with a capacity factor between 20 to 40 percent. For new intermediate load turbines, the BSER has been identified as highly efficient simple cycle generation. Low load is defined as units with a capacity factor less than 20 percent (peaking units). For new low load turbines, the BSER is the use of lower-emitting fuels.

Prior to the final rule, the EPA had published a proposed rule on May 11, 2023. Perhaps the most controversial aspect of the proposed rule dealt with emission standards for existing natural gas EGUs. However, in the final rule the EPA has declined to impose emission standards on existing natural gas power plants at this time.

The final rule has relied solely on a BSER of CCS for existing coal and new baseload natural gas EGUs. CCS has not been sufficiently demonstrated to be technically feasible and may be cost-prohibitive to implement. As a result, the final rule is likely to limit the feasibility of operating existing coal units until CCS technology has been demonstrated to be technically and economically deployable, a timeframe for which does not currently exist.

On February 15, 2024, the New York Attorney General, Letitia James, led a coalition of 16 states in filing a motion to intervene with the Supreme Court against the EPA's final rule, arguing that the EPA lacks authority to establish these regulations. On April 18, 2024, the Florida Attorney General, Ashley Moody, joined and filed a lawsuit to block the new EPA emissions rule.

Modernization and Efficiency Improvements

Modernizations involve removing existing generator units that may no longer be economical to operate, such as oil-fired steam units, and reusing the power plant site's transmission or fuel handling facilities with a new set of generating units. The modernization of existing plant sites, allows for significant improvement in both performance and emissions, typically at a lower price than new construction at a greenfield site. Not all sites are candidates for modernization due to site layout and other concerns, and to minimize rate impacts, modernization of existing units should be considered along with new construction at greenfield sites.

Several utilities converted of oil-fired and coal-fired steam units to natural gas-fired combined cycle units, or converted or upgraded to run on natural gas for all or a majority of their fuel. This trend continues, with direct coal-fired steam to natural gas-fired steam, such as OUC's conversion of Stanton Unit 2 by 2027. Additional planned conversions from coal or other solid fuels are planned by the TYSP Utilities, including TECO's conversion of the Polk Unit 1 integrated gasification combined cycle unit, the only petcoke fueled combined cycle within the State, to a natural gas-fired combustion turbine.

Utilities also plan several efficiency improvements to existing generating units. For example, the conversion of existing simple cycle combustion turbines into a combined cycle unit, which captures the waste heat and uses it to generate additional electricity using a steam turbine. Overall, 560 MW of additional summer firm capacity is from uprates to existing natural gas fired combined cycle units. In addition, DEF and OUC plan transmission upgrades that will allow them improved access to capacity from existing natural gas units at the Osprey and Osceola plant sites in 2025. While these do not change the amount of capacity available in the state as a whole, it improves the ability to deliver capacity where needed on the system.

Utilities are also investigating potential future conversions or dual-firing with hydrogen. For example, FPL's hydrogen pilot at its Okeechobee natural gas-fired combined cycle facility, approved as part of FPL's 2021 Settlement Agreement,[9] involves using a solar powered electrolyzer to produce hydrogen from water and replacing up to 5 percent of the fuel mix with hydrogen in the unit's combustion turbines.

Planned Retirements

Power plant retirements occur when the electric utility is unable to economically operate or maintain a generating unit due to environmental, economic, or technical concerns. Table 10 lists the 2,456 MW of existing generation that is scheduled to be retired during the planning period. A majority of the retirements are coal-fired steam generators, with four units totaling 1,167 MW of

[9] Order No. PSC-2021-0446-S-EI, issued December 2, 2021, in Docket No. 20210015-EI, *In re: Petition for rate increase by Florida Power & Light Company.*

capacity to be retired by 2029, followed by natural gas-fired steam generation, with four units totaling 750 MW of capacity to be retired by 2030.

Table 10: State of Florida - Electric Generating Units to be Retired

Year	Utility Name	Plant Name & Unit Number	Net Capacity (MW) Summer
Coal Steam Retirements			
2024	FPL	Daniel 1&2	502
2025	FMPA-OUC	Stanton Unit 1	450
2029	FPL	Scherer Unit 3	215
		Coal Steam Subtotal	**1,167**
Oil Combustion Turbine Retirements			
2026	DEF	Bayboro Units P1-P4	151
2027	DEF	Debary Units P2-P6	227
2027	DEF	P L Bartow Units P1 & P3	82
2027	FPL	Lansing Smith Unit A	32
		Oil CT Subtotal	**492**
Natural Gas Steam Retirements			
2024	FPL	Gulf Clean Energy Center 4	75
2026	FPL	Gulf Clean Energy Center 5	75
2027	GRU	Deerhaven FS01	76
2030	JEA	Northside Unit 3	524
		Gas Steam Subtotal	**750**
Natural Gas Combustion Turbine Retirements			
2025	FPL	Pea Ridge 1-3	12
2031	GRU	Deerhaven GT1 & GT2	35
		Gas CT Subtotal	**47**
		Total Retirements	**2,456**

Source: 2024 Ten-Year Site Plans

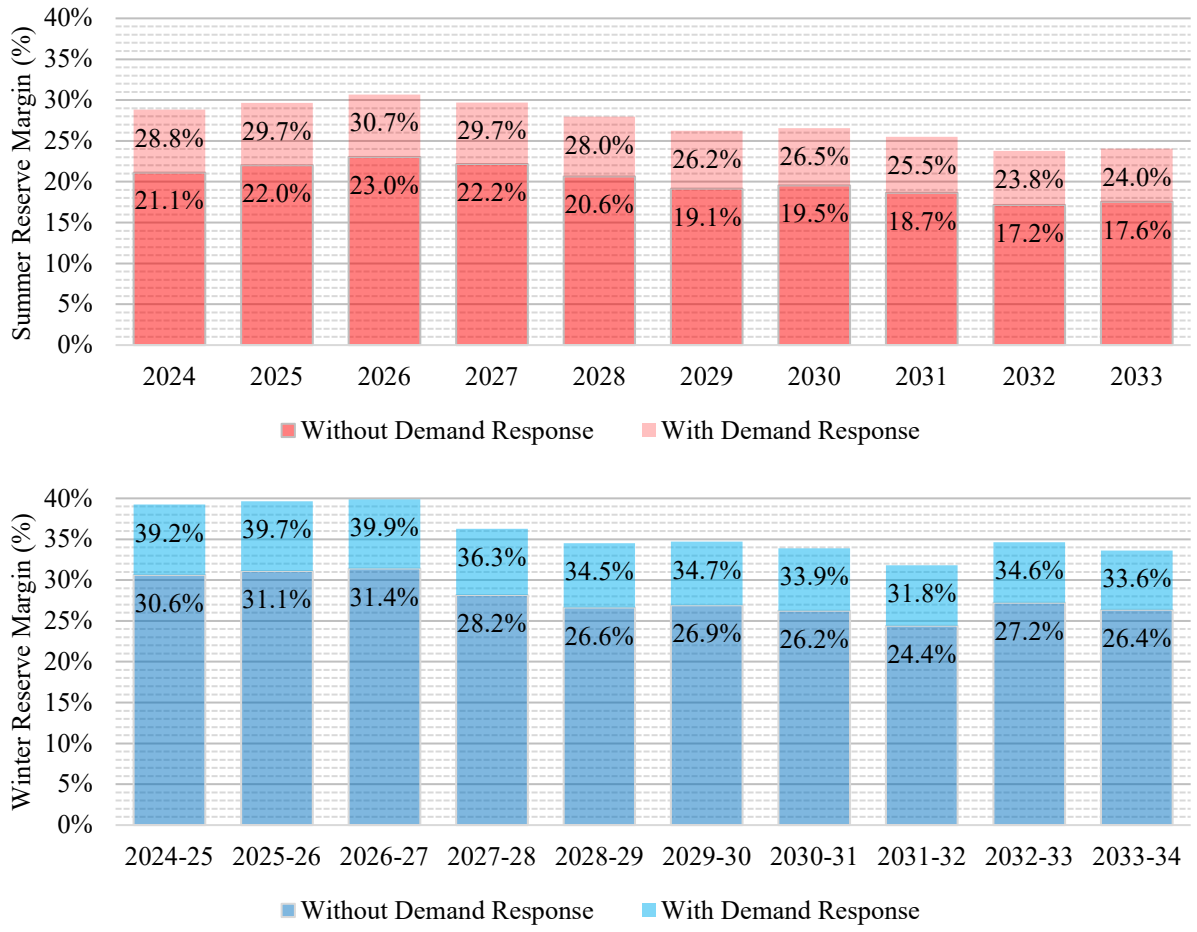
Reliability Requirements

Florida's electric utilities are expected to have enough generating assets available at the time of peak demand to meet forecasted customer demand. If utilities only had sufficient generating capacity to meet forecasted peak demand, then potential instabilities could occur if customer demand exceeds the forecast, or if generating units are unavailable due to maintenance or forced outages. To address these circumstances, utilities are required to maintain additional planned generating capacity above the forecast customer demand, referred to as the reserve margin.

On July 1, 2019, the SERC Reliability Corporation (formerly the Southeastern Electric Reliability Council) became the new Compliance Enforcement Authority for all electric utilities previously registered with the FRCC. Electric utilities within Florida must maintain a minimum reserve margin of 15 percent for planning purposes. Certain utilities have elected to have a higher reserve margin, either on an annual or seasonal basis. The three largest reporting electric utilities, FPL, DEF, and TECO, are party to a stipulation approved by the Commission that utilizes a 20 percent reserve margin for planning.

While Florida's electric utilities are separately responsible for maintaining an adequate planning reserve margin, a statewide view illustrates the degree to which capacity may be available for purchases during periods of high demand or unit outages. Figure 15 is a projection of the statewide seasonal reserve margin including all proposed power plants.

Figure 15: State of Florida - Projected Reserve Margin by Season



Source: FRCC 2024 Regional Load and Resource Plan - Revised Form 10

Role of Demand Response in Reserve Margin

The Commission also considers the planning reserve margin without demand response. As illustrated above in Figure 15, the statewide seasonal reserve margin exceeds the FRCC's required 15 percent planning reserve margin without activation of demand response. Demand response activation increases the reserve margin on average 7.2 percent in summer and 7.9 percent in winter.

Demand response participants receive discounted rates or credits regardless of activation, with these costs recovered from all ratepayers. Because of the voluntary nature of demand response, a concern exists that a heavy reliance upon this resource would make participants reconsider the value of the discounted rates or credits. For interruptible customers, participants must provide notice that they intend to leave the demand response program, with a notice period of three or more years being typical. For load management participants, usually residential or small commercial customers, no advanced notice is typically required to leave. Historically, demand response participants have rarely been called upon during the peak hour, but are more frequently called upon during off-peak periods due to unusual weather conditions.

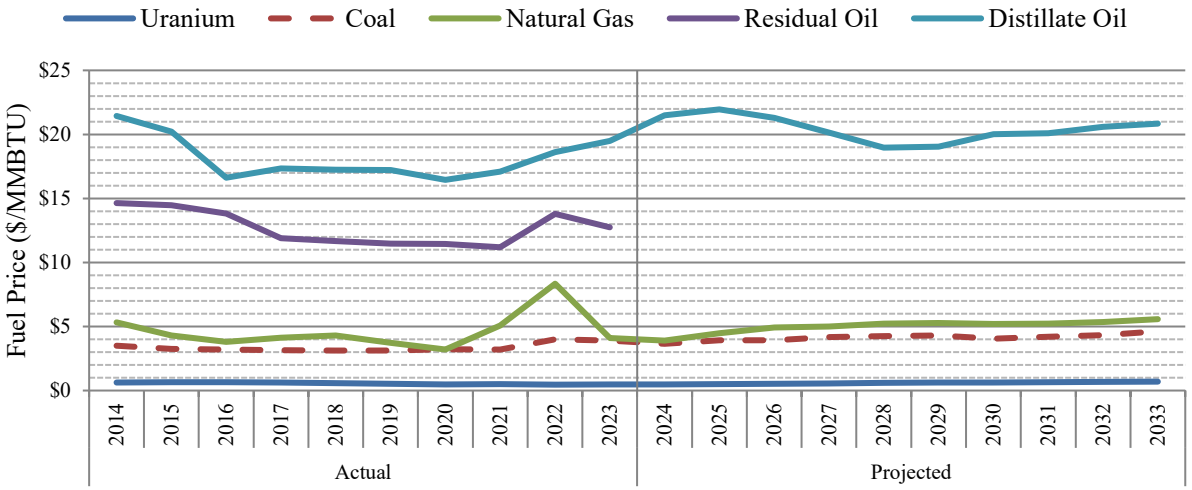
Fuel Price Forecast

Fuel price is an important economic factor affecting the dispatch of the existing generating fleet and the selection of new generating units. In general, the capital cost of a fuel-based power plant is inversely proportional to the cost of the fuel used to generate electricity from that unit. The major fuels consumed by Florida's electric utilities are natural gas, coal, and uranium. Distillate oil also factors into Florida utilities' fuel mix, albeit minimally, when compared to historical levels. Figure 16 illustrates the weighted average fuel price history and forecasts for the reporting electric utilities.

Natural gas remains the most intensively used fuel state-wide on a per GWh basis, accounting for 72.7 percent of electric generation in 2023. As shown in Figure 16, the price of natural gas continued to decline from 2014 until 2020. However, the weighted average natural gas prices saw a sizable increase from 2020 through 2022, with a peak of $8.00 per million British Thermal Units (MMBTUs) in 2022, before returning to a price of approximately $4.00/MMBTU in 2023. The price of natural gas is forecast to stabilize in 2024, and then increase slightly through 2033. Meanwhile, the price of coal was stable from 2014 through 2022. Even so, forecasts anticipate coal prices to increase gradually from $3.64 in 2024 to $4.62 in 2033. It should be noted that the use of coal is projected to decrease substantially through 2033.

Distillate oil remains the most expensive fuel, which partially explains why it is used for backup and peaking purposes only. Also of note is a phasing out of residual oil, with no forecast for purchasing residual oil after 2023. The truncated graph on Figure 16 reflects this phasing out of residual oil.

Figure 16: TYSP Utilities - Average Fuel Price of Reporting Electric Utilities



Source: TYSP Utilities' Data Responses

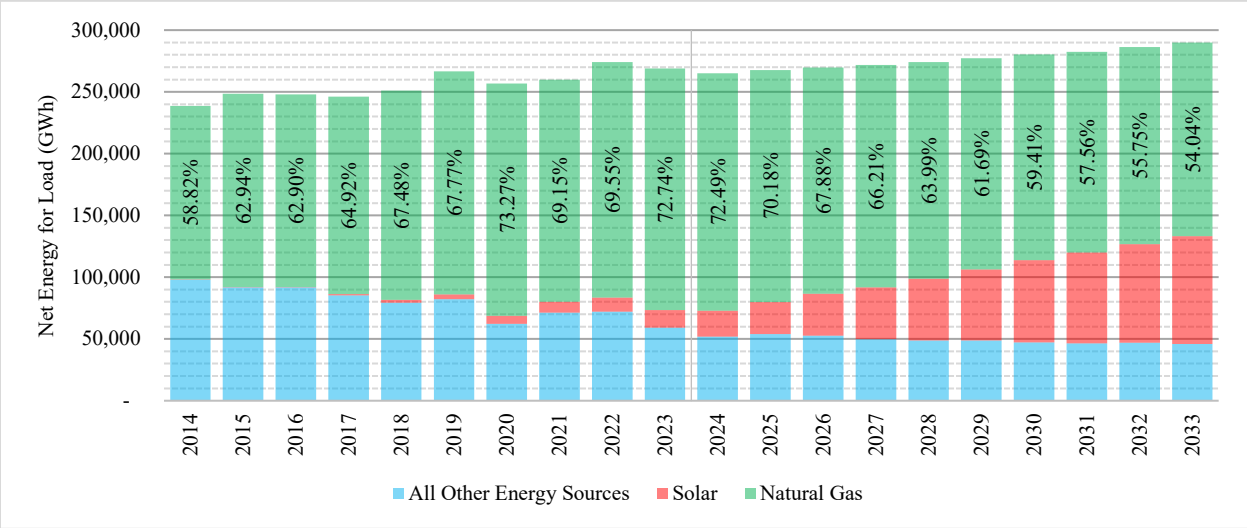
As shown in Figure 16, the price of natural gas continued to decline from 2014 until 2020. Even though current forecasts project the price of natural gas to remain relatively stable over the long term, there remains some degree of natural gas price volatility over the short and medium term. For instance, natural gas price volatility was reflected in the 2024 requests for fuel factor mid-course corrections (increases or decreases in customer fuel charges) filed by FPL, DEF, and TECO. FPL's mid-course correction was approved by the Commission on April 10, 2024, and DEF and TECO's were approved on May 24, 2024.[10]

Fuel Diversity

Natural gas has risen to become the dominant fuel in Florida and since 2011 has generated more net energy for load than all other fuels combined. As Figure 17 illustrates, natural gas was the source of approximately 69.6 percent of electric energy consumed in Florida in 2023. Natural gas electric generation, as a percent of net energy for load, is anticipated to decline throughout the remainder of the planning period, offset by solar generation. Solar generation is anticipated to exceed all non-natural gas energy sources combined by 2028.

[10] Docket No. 20240001-EI, *In re: Fuel and purchased power cost recovery clause with generating performance incentive factor.*

Figure 17: State of Florida - Natural Gas Generation

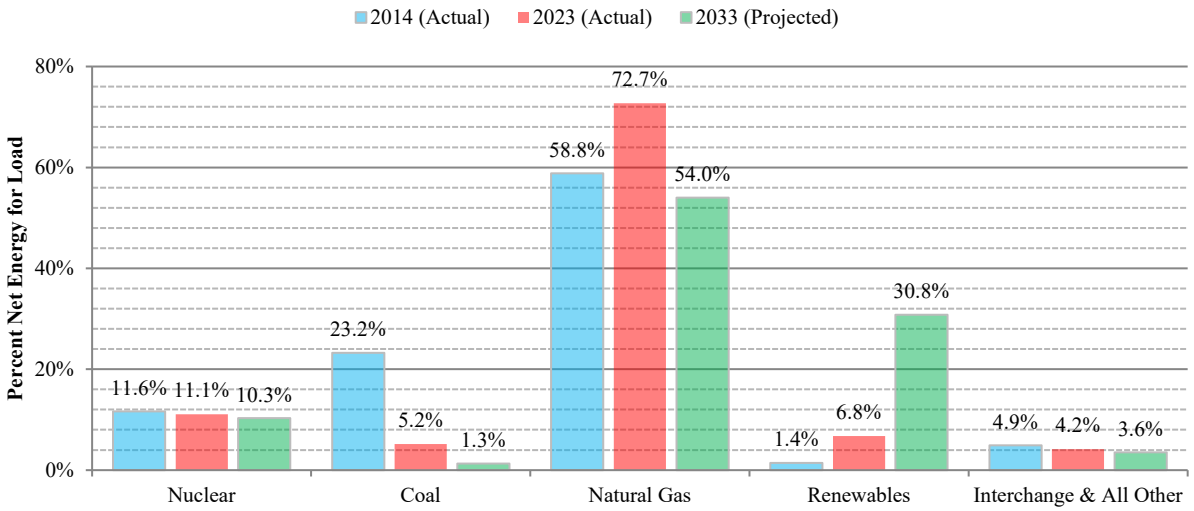


Source: FRCC 2015-2024 Regional Load and Resource Plans

Because a balanced fuel supply can enhance system reliability and mitigate the effects of volatility in fuel price fluctuations, it is important that utilities have a level of flexibility in their generation mix. Maintaining fuel diversity on Florida's system faces several difficulties. Existing coal units will require additional emissions control equipment leading to reduced output, or retirement if the emissions controls are uneconomic to install or operate. New solid fuel generating units such as nuclear and coal have long lead times and high capital costs. New coal units face challenges relating to new environmental compliance requirements, making it unlikely they could be permitted without novel emissions control technology.

Figure 18 shows Florida's historic and forecast percent net energy for load by fuel type for the actual years 2014 and 2023, and forecast year 2033. Nuclear generation is expected to remain steady throughout the planning period. Coal generation is expected to continue its downward trend well into the planning period. Natural gas has been the primary fuel used to meet the growth of energy consumption, and this trend is anticipated to continue throughout the planning period. Renewables are expected to exceed all other generation sources except for natural gas by 2028.

Figure 18: State of Florida - Historic and Forecast Generation by Fuel Type



Source: FRCC 2015-2024 Regional Load and Resource Plan

Based on 2020 Energy Information Administration data, Florida ranks fifth in terms of the total volume of natural gas consumed compared to the rest of the United States.[11] For volume of natural gas consumed for electric generation, Florida ranks second, behind Texas. Natural gas is not used as a heating fuel in most of Florida's homes and businesses, which rely instead upon electricity that is increasingly being generated by natural gas. As Florida has very little natural gas production and limited gas storage capacity, the state is reliant upon out-of-state production and storage to satisfy the growing electric demands of the state.

New Generation Planned

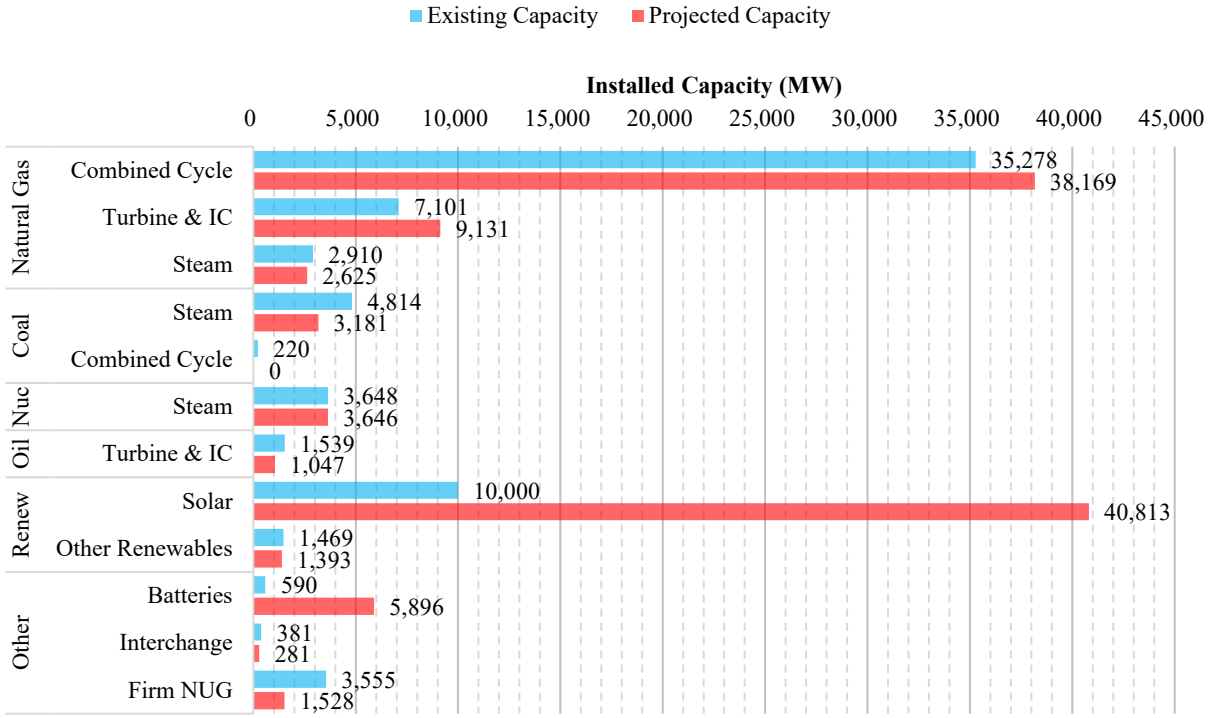
Current demand and energy forecasts continue to indicate that in spite of increased levels of conservation, energy efficiency, renewable generation, and existing traditional generation resources, the need for additional generating capacity still exists. While reductions in demand have been significant, the total demand for electricity is expected to increase, making the addition of traditional generating units necessary to satisfy reliability requirements and provide sufficient electric energy to Florida's consumers. Because any capacity addition has certain economic impacts based on the capital required for the project, and due to increasing environmental concerns relating to solid fuel-fired generating units, Florida's utilities must carefully weigh the factors involved in selecting a supply-side resource for future traditional generation projects.

In addition to traditional economic analyses, utilities also consider several strategic factors, such as fuel availability, generation mix, and environmental compliance prior to selecting a new supply-side resource. Limited supplies, access to water or rail delivery points, pipeline capacity, water supply and consumption, land area limitations, cost of environmental controls, and fluctuating fuel costs are all important considerations to the utilities' IRP process.

[11] U.S. Energy Information Administration natural gas consumption by end-use annual report.

Figure 19 illustrates the present and future aggregate capacity mix. The capacity values in Figure 19 incorporate all proposed additions, retirements, fuel switching, uprates and derates, and changes in operational or contract status contained in the reporting utilities' 2024 Ten-Year Site Plans and the FRCC's 2024 Regional Load and Resource Plan.

Figure 19: State of Florida - Current and Projected Installed Capacity



Source: FRCC 2024 Regional Load and Resource Plan and TYSP Utilities' Data Responses

Commission's Authority Over Siting

Any proposed steam or solar generating unit greater than 75 MW requires a certification under the Electrical Power Plant Siting Act (PPSA), contained in Sections 403.501 through 403.518, F.S. The Commission has been given exclusive jurisdiction to determine the need for new electric power plants through Section 403.519, F.S. Upon receipt of a determination of need, the electric utility would then seek approval from the Florida Department of Environmental Protection, which addresses land use and environmental concerns. Finally, the Governor and Cabinet, sitting as the Siting Board, ultimately must approve or deny the overall certification of a proposed power plant. There are two planned units, both natural gas-fired combined cycles, requiring certification under the PPSA; a 571 MW unit with an in-service date of 2032 for SEC, and a 518 MW unit with an in-service date of 2030 for JEA. While solar generation is covered under the Power Plant Siting Act, all future solar projects are below the 75 MW threshold, and therefore are not required to seek approval from the Commission prior to construction.

New Power Plants by Fuel Type

Nuclear

Nuclear capacity, while an alternative to natural gas-fired generation, is capital-intensive and requires a long lead time to construct. In April 2018, FPL received Combined Operating Licenses from the Nuclear Regulatory Commission for two future nuclear units, Turkey Point Units 6 and 7. These units are planned to be sited at FPL's Turkey Point site, the location of two existing nuclear generating units. The earliest possible in service date for these two units are outside the scope of the Ten-Year Site Plan.

Natural Gas

Several new natural gas-fired combustion turbines, internal combustion units, and combined cycle units are planned over the next 10 years. While combined cycle systems are the dominant generating unit type, combustion turbines that run only in simple cycle mode and internal combustion (also called reciprocating engines) units, taken together, represent the third most abundant type of generating capacity, behind installed solar generation as well. As combustion turbines and internal combustion units are not a form of steam generation, unless part of a combined cycle unit, they do not require siting under the Power Plant Siting Act. Table 11 summarizes the approximately 3,287 MW of additional capacity from new natural gas-fired generating units proposed by the 2024 Ten-Year Site Plan utilities. In addition to the new generation listed below, FMPA is acquiring three existing merchant facilities, all natural gas-fired combined cycle units, for a total of 332 MW.

Table 11: TYSP Utilities - Planned Natural Gas Units

In-Service Year	Utility Name	Plant Name & Unit Number	Unit Type	Net Capacity (MW)	Notes
PPSA Approved Units					
2026	SEC	Shady Hills Energy Center	CC	546	
			Subtotal	**546**	
New Units Requiring PPSA Approval					
2030	JEA	Advanced 1x1 CC	CC	576	
2032	SEC	Unnamed CC	CC	571	
			Subtotal	**1,147**	
New Units Not Requiring PPSA Approval					
2024	LAK	Mcintosh ME1-ME6	IC	120	6 Units
2025-2026	TECO	South Tampa Resiliency Project	IC	75	2 Phases – 4 Units Total
2029	SEC	Unnamed CT	CT	317	
2030	TECO	Future CT 1	CT	222	
2032	DEF	Undesignated CT 1 & 2	CT	430	2 Units
2033	DEF	Undesignated CT 3 & 4	CT	430	2 Units
			Subtotal	**1,594**	
			Total	**3,287**	

Source: 2024 Ten-Year Site Plans

Transmission

As generation capacity increases, the transmission system must grow accordingly to maintain the capability of delivering energy to end-users. The Commission has been given broad authority pursuant to Chapter 366, F.S., to require reliability within Florida's coordinated electric grid and to ensure the planning, development, and maintenance of adequate generation, transmission, and distribution facilities within the state.

The Commission has authority over certain proposed transmission lines under the Electric Transmission Line Siting Act (TLSA), contained in Sections 403.52 through 403.5365, F.S. To require certification under Florida's TLSA, a proposed transmission line must meet the following criteria: a nominal voltage rating of at least 230 kV, crossing a county line, and a length of at least 15 miles. Proposed lines in an existing corridor are also exempt from TLSA requirements. The Commission determines the reliability need and the proposed starting and end points for lines requiring TLSA certification. The proposed corridor route is subsequently determined by the Florida Department of Environmental Protection during the certification process. Much like the PPSA, the Governor and Cabinet sitting as the Siting Board ultimately must approve or deny the overall certification of a proposed line.

Table 12 lists all proposed transmission lines in the 2024 Ten-Year Site Plans and the FRCC 2024 Regional Load and Resource Plan that require TLSA certification. The only planned line has already received the approval of the Commission.

Table 12: State of Florida - Planned Transmission Lines

Utility	Transmission Line	Line Length (Miles)	Nominal Voltage (kV)	Date Need Approved	Date TLSA Certified	In-Service Date
FPL	Sweatt to Whidden	79	230	05/2022	09/2022	06/2026

Source: 2024 Ten-Year Site Plans and FRCC 2024 Regional Load and Resource Plan

Utility Perspectives

Florida Power & Light Company (FPL)

FPL is an investor-owned utility and Florida's largest electric utility. FPL's service territory previously was solely in the FRCC Region and consisted of South Florida and the east coast. FPL's parent company, NextEra Energy Inc., acquired Gulf Power Company (GPC) in January 2019. Resource planning is now being done for the single entity of FPL, with the former GPC territory referred to as FPL's Northwest Florida Division (FPL NWFL). As an investor-owned utility, FPL, is subject to the regulatory authority of the Commission over all aspects of utility operations, including rates, reliability, and safety. Pursuant to Section 186.801(2), F.S., the Commission finds FPL 2024 Ten-Year Site Plan suitable for planning purposes.

Load and Energy Forecasts

In 2023, FPL's service area had approximately 5,845,160 customers and annual retail energy sales of 127,904 GWh, or approximately 54.7 percent of Florida's annual retail energy sales. The total number of customers grew by approximately 1.2 percent in 2023 which is in line with FPL's normal growth rates.

Over the past 10 years, FPL's customer base has increased by 13.5 percent, while retail energy sales have grown by approximately 10.8 percent. For the 2024 TYSP forecast horizon, customers for the FPL system are forecasted to grow by 1.2 to 1.3 percent per year. According to FPL, its total customer growth is being driven primarily by growth in residential customer numbers.

FPL's weather-normalized energy consumption per customer for residential and commercial customers reflect the impacts of the pandemic and the resulting return to more normal conditions. In 2023, residential usage decreased by 0.1 percent as, according to the Company, a strong economy led to customers spending less time at home (i.e. returning to work-place/school). Commercial usage, on the other hand, increased by 0.4 percent due to rebounding commercial activity. FPL's industrial use per customer declined by 11.6 percent, but this decline was attributable to strong growth in the number of small industrial customers with low average usage.

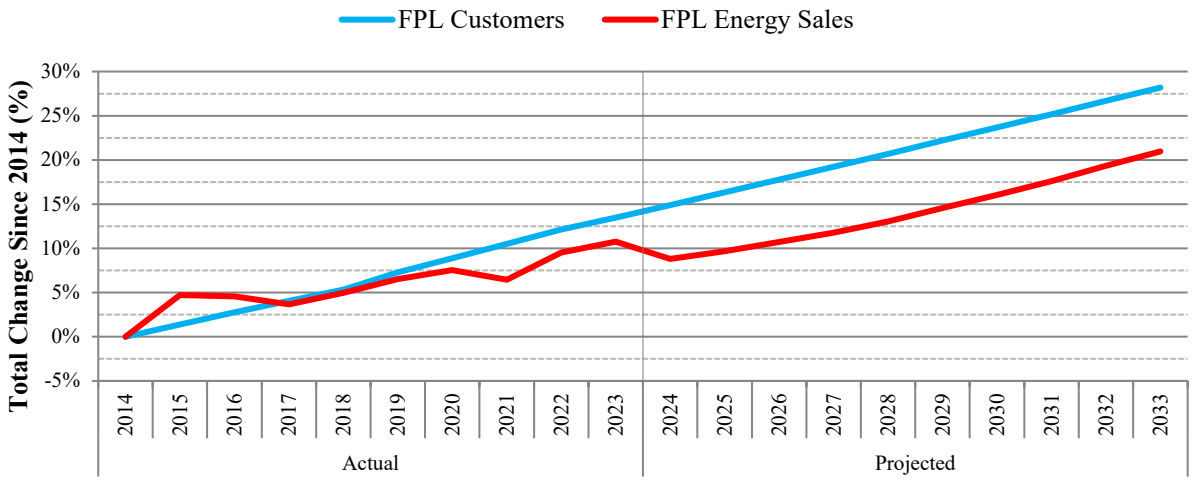
Over the current TYSP forecast horizon, residential use per customer is forecasted to be flat or slightly grow up to 0.6 percent due to continued economic growth as well as increased adoptions of electric vehicles. Commercial usage is forecast to decline between 0.1 to 0.7 percent per year over the forecast horizon due to continued improvements to equipment efficiencies.

FPL's weather-normalized annual retail energy sales increased by 0.8 percent in 2023, driven by growth in the residential class. Residential energy sales increased by 1.1 percent due to continued customer growth. Commercial energy sales increased due to both customer and usage growth. Industrial energy sales decreased but had a negligible impact on total retail energy sales because the industrial class sales are a small proportion of total retail energy sales.

For the 2024 TYSP forecast horizon, FPL's total retail energy sales are forecasted to grow by 0.8 to 1.3 percent per year. This projected retail energy sales growth is driven by sales growth in the residential class and commercial class, and these class-level energy sales increases are driven by growth in the number of customers.

Figure 20 illustrates historic and prospective forecasted growth rates in customers and retail energy sales for the resource plan FPL filed in its 2024 TYSP.

Figure 20: FPL Growth

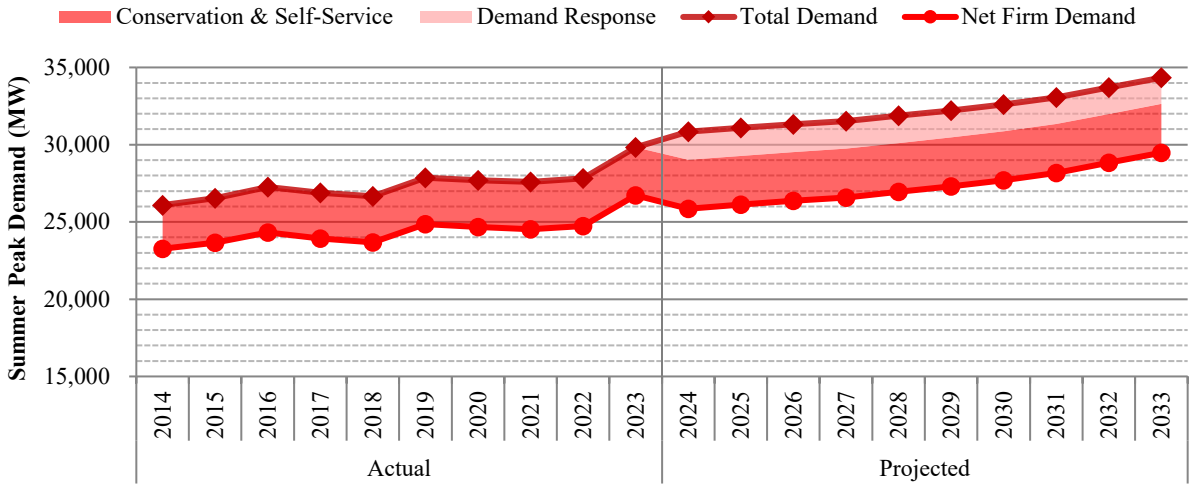


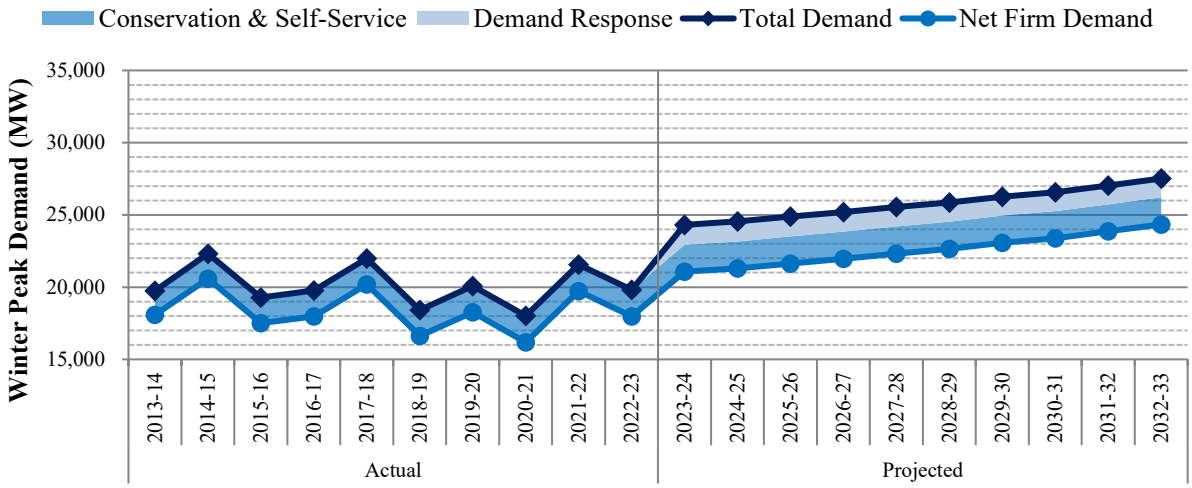
Source: 2024 Ten-Year Site Plan

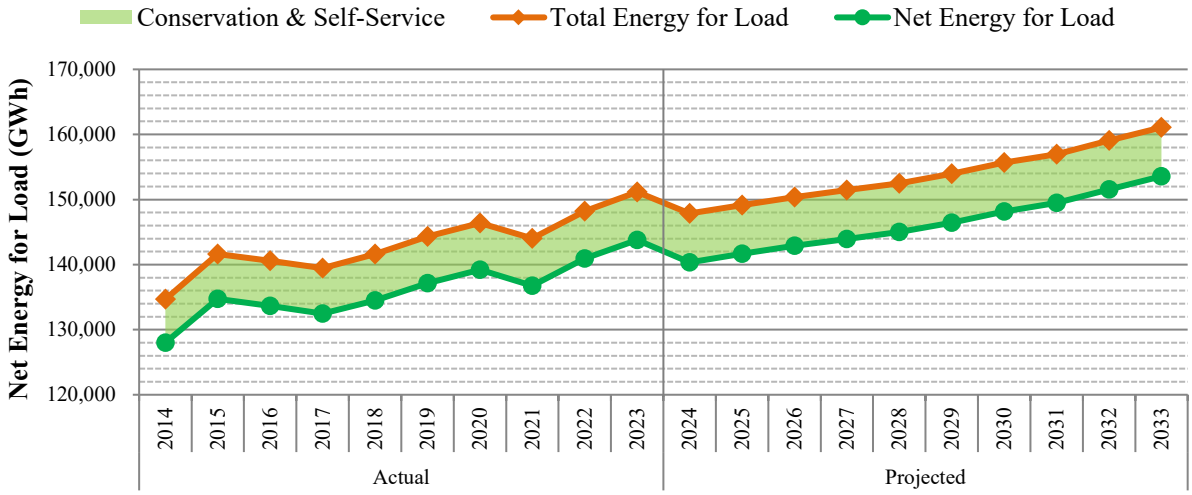
As mentioned earlier, on January 1, 2019, GPC became a subsidiary of NextEra, FPL's parent company. FPL and GPC integrated the two systems into a single electric system, effective January 1, 2022. The three graphs in Figure 21 show FPL and GPC's combined seasonal peak demand, summer and winter, and net energy for load, for the historic years 2014 through 2021, with the integrated FPL/GPC historical data for 2022 and 2023, and forecast for years 2024 through 2033.

As an investor-owned utility, FPL is subject to FEECA and currently offers energy efficiency and demand response programs to customers to reduce peak demand and annual energy consumption. The Commission is currently reviewing FPL's 2025-2034 DSM goals. These goals are scheduled to be voted on at the December 3, 2024 Commission Conference and, in 2025, the Commission will review FPL's plan designed to achieve those goals. In preparing its 2024 Ten-Year Site Plan seasonal peak demand and energy forecasts, FPL assumes the trends in these goals will be extended through the forecast period (through 2033), as reflected in Figure 21. These graphs include the impact of demand-side management, and for future years assume that all available demand response resources will be activated during the seasonal peak. During the past 10 years, demand response has not been activated during seasonal peak demand.

Figure 21: FPL Demand and Energy Forecasts







Source: 2024 Ten-Year Site Plan

Fuel Diversity

Table 13 shows FPL's actual net energy for load by fuel type for 2023 and the projected fuel mix for 2033. FPL relies primarily upon natural gas for energy generation, making up 75 percent of net energy for load in 2023. FPL is projected to use natural gas for less than half of its energy generation by 2033. Only two utilities, FPL and OUC, are anticipated to reach this level of reduced natural gas consumption by the end of the planning period. By 2033, natural gas will still be the highest individual fuel at 42 percent, while renewables will account for 39 percent, followed by nuclear at 19 percent.

Table 13: FPL Energy Generation by Fuel Type

Fuel Type	Net Energy for Load			
	2023 Actual		2033 Projected	
	GWh	%	GWh	%
Natural Gas	105,854	**75.4%**	64,551	**42.0%**
Coal	472	**0.3%**	0	**0.0%**
Nuclear	28,767	**20.5%**	28,830	**18.8%**
Oil	233	**0.2%**	2	**0.0%**
Renewable	10,217	**7.3%**	59,440	**38.7%**
Interchange	0	**0.0%**	0	**0.0%**
NUG & Other	(5,079)	**-3.6%**	857	**0.6%**
Total	**140,464**		**153,681**	

Source: 2024 Ten-Year Site Plan

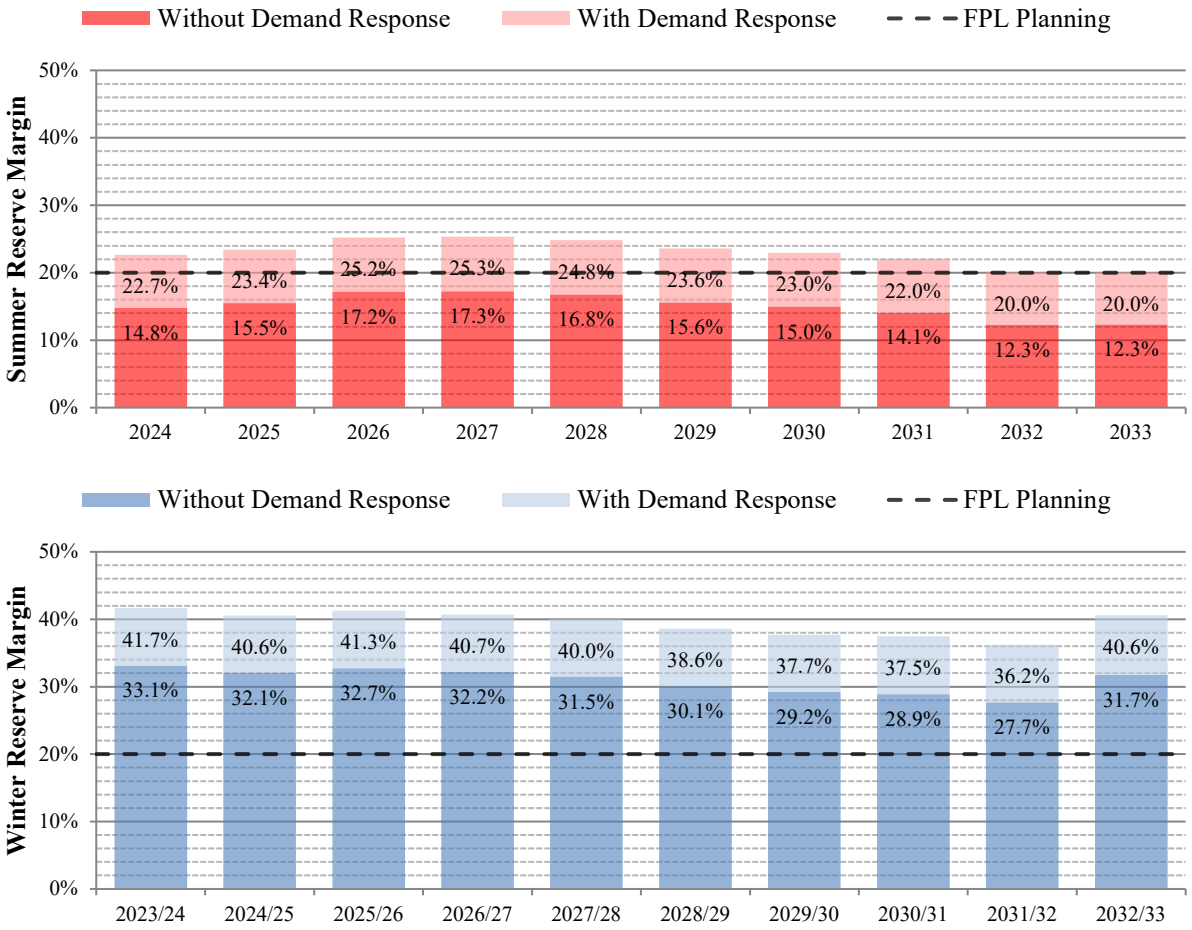
Reliability Requirements

While previously only reserve margin has been discussed, Florida's utilities use multiple indices to determine the reliability of its electric supply. An additional metric is the Loss of Load Probability (LOLP), which is a probabilistic assessment of the duration of time electric customer demand will exceed electric supply, and is measured in units of days per year. FPL uses a maximum LOLP of no more than 0.1 days per year, or approximately 1 day of outage per 10 years. Between the two reliability indices, LOLP and reserve margin, the reserve margin requirement is typically the controlling factor for the addition of capacity.

Since 1999, FPL has utilized a 20 percent reserve margin criterion for planning based on a stipulation approved by the Commission.[12] Figure 22 displays the forecast planning reserve margin for FPL through the planning period for both seasons, with and without the use of demand response. As shown in the figure, FPL's generation needs are controlled by its summer peak throughout the planning period.

[12] Order No. PSC-99-2507-S-EU, issued December 22, 1999, in Docket No. 19981890-EU, *In re: Generic investigation into the aggregate electric utility reserve margins planned for Peninsular Florida.*

Figure 22: FPL Reserve Margin Forecast



Source: 2024 Ten-Year Site Plan

In addition to LOLP and the reserve margin, FPL utilizes a third reliability criterion which it refers to as its 10 percent generation-only reserve margin. This criterion requires that available firm capacity be 10 percent greater than the sum of customer seasonal demand, without consideration of incremental energy efficiency and all existing and incremental demand response resources. Currently, no other utility utilizes this same metric. FPL's generation-only reserve margin is not the controlling factor for any planned unit additions. However, it does provide useful information regarding the assurance that the projected 20 percent reserve margin will be realized.

While FPL does not include incremental energy efficiency resources and cumulative demand response in its resource planning for the generation-only reserve margin criterion, the Company would remain subject to FEECA and the conservation goals established by the Commission. FPL would continue paying rebates and other incentives to participants, which are collected from all ratepayers through the Energy Conservation Cost Recovery Clause, but would not consider the potential capacity reductions of any future participation in energy efficiency or demand response programs during the 10-year planning period for planning purposes only when using this reliability criterion.

Generation Resources

FPL plans multiple unit retirements and additions during the planning period as are described in Table 14. Particularly noteworthy is the Company's plan to retire its three remaining coal units, totaling 717 MW, which consist of FPL's partial ownership of Scherer Unit 3 and Daniel Units 1 and 2, all assets which it acquired from its purchase of GPC. FPL also plans the retirement of another 197 MW of assets, primarily natural gas-fired steam plants. These retirements are partially offset by planned upgrades to its existing natural gas combined cycle generating units over the planning period, which increase summer capacity by 123 MW.

FPL does not plan any new fossil generating unit additions over the next 10-year period, only solar and battery facilities. The majority of changes on FPL's system are from new solar photovoltaic plants, with a planned 282 sites totaling 21,009 MW in capacity, of which 2,742 MW are considered firm for the summer peak. In addition, FPL anticipates adding a total of 4,022 MW of battery storage, of which 2,159 MW will be considered firm for purposes of summer peak. None of these additions require a need determination pursuant to the PPSA.

Table 14: FPL Generation Resource Changes

Year	Plant Name & Unit Number	Unit Type	Net Capacity (MW) Sum	Firm Capacity (MW) Sum	Notes
Retiring Units					
2024	Daniel 1 & 2	BIT ST	502		2 Units Total
2024	Gulf Clean Energy Center 4	NG ST	75		
2025	Pea Ridge 1-3	NG GT	12		3 Units Total
2026	Gulf Clean Energy Center 5	NG ST	75		
2027	Lansing Smith 3A	DFO GT	32		
2028	Scherer 3	BIT ST	215		
2029	Perdido 1 & 2	LFG IC	3		2 Units Total
	Total Retirements		**914**	**-**	
New Units					
2024	Sited Solar Plants	SUN PV	2,235	982	30 Sites
2025	Sited Solar Plants	SUN PV	894	351	12 Sites
2025	Unsited Energy Storage	BAT	522	349	
2026	Sited Solar Plants	SUN PV	2,235	429	30 Sites
2027	Unsited Solar Plant	SUN PV	2,235	140	30 Sites
2027	Unsited Energy Storage	BAT	300	219	
2028	Unsited Solar Plant	SUN PV	2,235	140	30 Sites
2028	Unsited Energy Storage	BAT	300	213	
2029	Unsited Solar Plant	SUN PV	2,235	140	30 Sites
2029	Unsited Energy Storage	BAT	300	201	
2030	Unsited Solar Plant	SUN PV	2,235	140	30 Sites
2030	Unsited Energy Storage	BAT	300	191	
2031	Unsited Solar Plant	SUN PV	2,235	140	30 Sites
2031	Unsited Energy Storage	BAT	300	186	
2032	Unsited Solar Plant	SUN PV	2,235	140	30 Sites
2032	Unsited Energy Storage	BAT	300	150	
2033	Unsited Solar Plant	SUN PV	2,235	140	30 Sites
2033	Unsited Energy Storage	BAT	1,700	650	
	Total New Units		**25,031**	**4,901**	
	Net Additions		**24,117**		

Source: 2024 Ten-Year Site Plan

Duke Energy Florida, LLC (DEF)

DEF is an investor-owned utility and Florida's second largest electric utility. The Company's service territory is within the FRCC region and is primarily located in central and west central Florida. As an investor-owned utility, the Commission has regulatory authority over all aspects of operations, including rates, reliability, and safety. Pursuant to Section 186.801(2), F.S., the Commission finds DEF's 2024 Ten-Year Site Plan suitable for planning purposes.

Load and Energy Forecasts

In 2023, DEF had approximately 1,968,221 customers and annual retail energy sales of 40,832 GWh, or approximately 17.4 percent of Florida's annual retail energy sales. DEF's total customers and total retail energy sales respectively grew approximately 1.8 percent and 0.8 percent in 2023. Over the last 10 years, DEF's customer base has increased by 15.8 percent, while retail energy sales have grown by 9.6 percent.

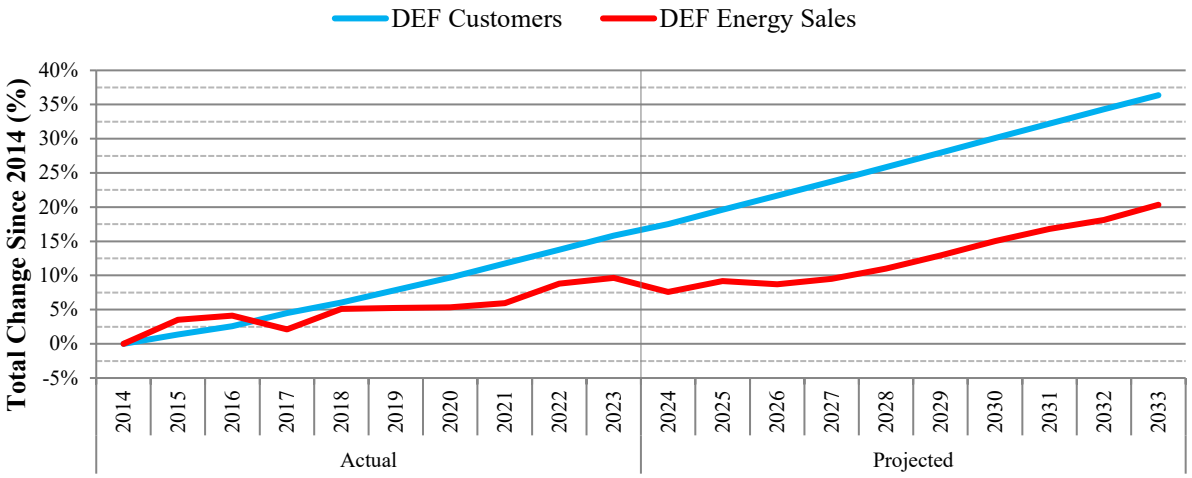
DEF's customer growth has always been dominated by the residential and commercial customer classes. Customer growth trends are driven by broad economic and demographic factors such as population growth, migration, retirement, affordable housing, mortgage rates and job growth. More recent information reflects a return to the long-term trend of population migration into Florida. Commercial customer growth typically tracks residential growth supplying needed services.

DEF's projected retail energy sales trend reflects the product of the Company's forecasted number of customers and forecasted energy consumption per customer. Fluctuations of per customer usage for DEF's residential and commercial classes are primarily driven by variations in electricity price, end-use appliance saturation and efficiency improvement, housing type/building size, improved building codes, and space conditioning equipment fuel type. With respect to the average energy consumption per customer, the Company is aware that the ability to self-generate recently has begun to make an impact. A small percentage of industrial/commercial customers have chosen to install their own natural gas generation, reducing energy consumption from the power grid. Similarly but more significantly, residential and some commercial accounts have reduced their utility requirements by installing solar panels behind their meters. The Company also noted that the penetration of plug-in electric vehicles has grown, leading to an increase in residential use per customer, all else being equal.

For the 2024 TYSP forecast horizon, DEF's forecast results indicate that the Company's customer base is projected to grow at an average annual rate of 1.7 percent approximately, and its retail energy sales are projected to grow at an average annual rate of 1.3 percent approximately.

Figure 23 illustrates historic and prospective forecasted growth rates in customers and retail energy sales for the resource plan DEF filed in its 2024 TYSP.

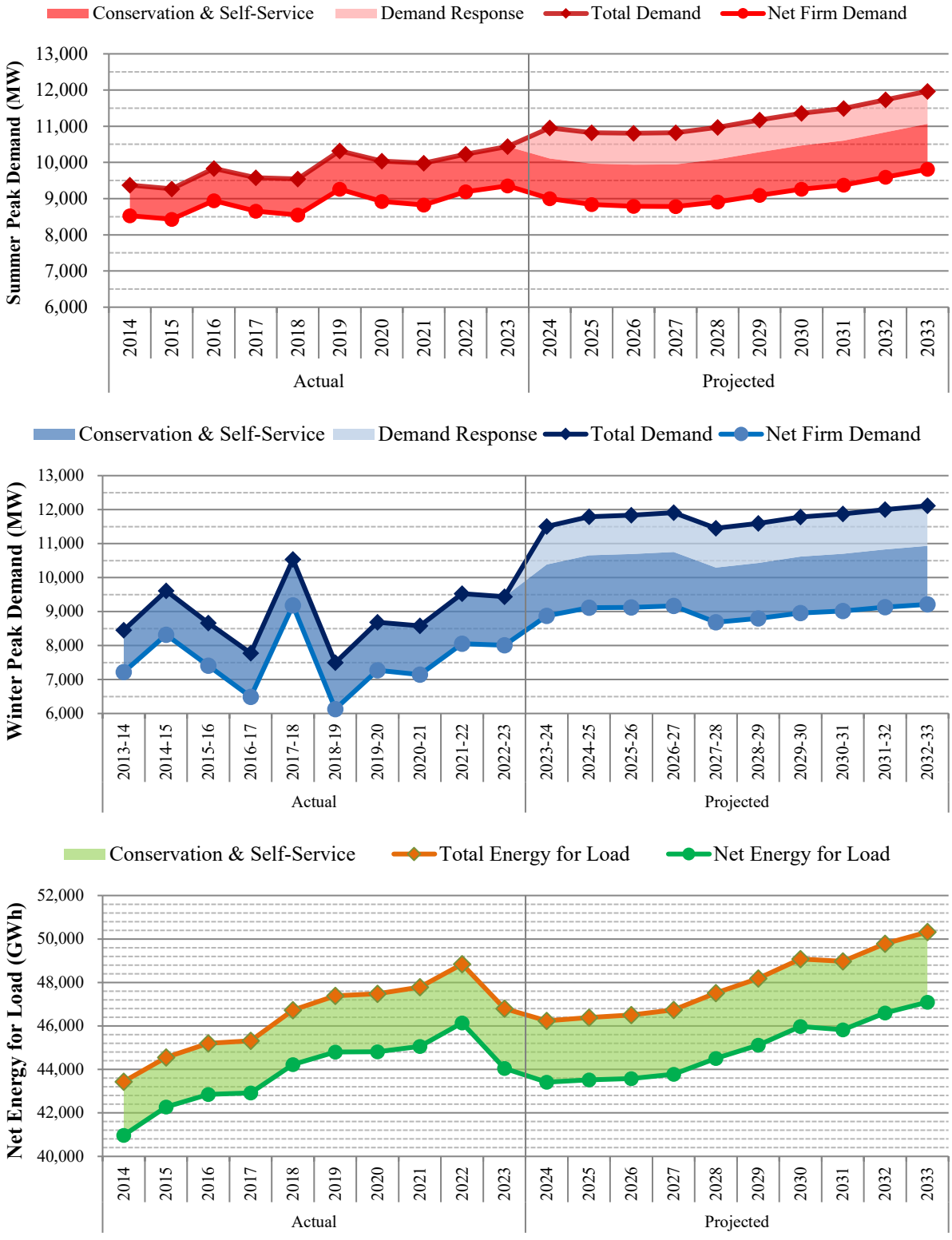
Figure 23: DEF Growth



Source: 2024 Ten-Year Site Plan

The three graphs in Figure 24 show DEF's seasonal peak demand and net energy for load for the historic years of 2014 through 2023 and forecast years 2024 through 2033. These graphs include the full impact of demand-side management and assume that all available demand response resources will be activated during the seasonal peak. During the past 10 years, demand response has not been activated during seasonal peak demand. As an investor-owned utility, DEF is subject to FEECA, and currently offers energy efficiency and demand response programs to customers to reduce peak demand and annual energy consumption. In August 2024, the Commission established demand side management goals for DEF for the years 2025 through 2034. In 2025, the Commission will review DEF's plan designed to achieve the Company's DSM goals. In preparing its 2024 Ten-Year Site Plan seasonal peak demand and energy forecasts, DEF assumes trends in these goals will be extended through the forecast horizon (through 2033).

Figure 24: DEF Demand and Energy Forecasts



Source: 2024 Ten-Year Site Plan and Data Responses

Fuel Diversity

Table 15 shows DEF's actual net energy for load by fuel type as of 2023 and the projected fuel mix for 2033. DEF relies primarily upon natural gas for energy generation, making up approximately 81 percent of net energy for load in 2023. DEF plans to increase renewable energy generation over the planning period, somewhat offsetting natural gas and coal usage. DEF projects that renewable energy will provide 29 percent of its generation by 2033, which is the fourth highest percentage of renewable energy generation in 2033 of the TYSP Utilities. Natural gas would remain the primary fuel, at 68 percent in 2033.

Table 15: DEF Energy Generation by Fuel Type

Fuel Type	Net Energy for Load			
	2023 Actual		2033 Projected	
	GWh	%	GWh	%
Natural Gas	35,526	**80.7%**	31,801	**67.5%**
Coal	3,829	**8.7%**	1,873	**4.0%**
Nuclear	0	**0.0%**	0	**0.0%**
Oil	29	**0.1%**	10	**0.0%**
Renewable	2,788	**6.3%**	13,408	**28.5%**
Interchange	60	**0.1%**	2	**0.0%**
NUG & Other	1,814	**4.1%**	0	**0.0%**
Total	**44,046**		**47,094**	

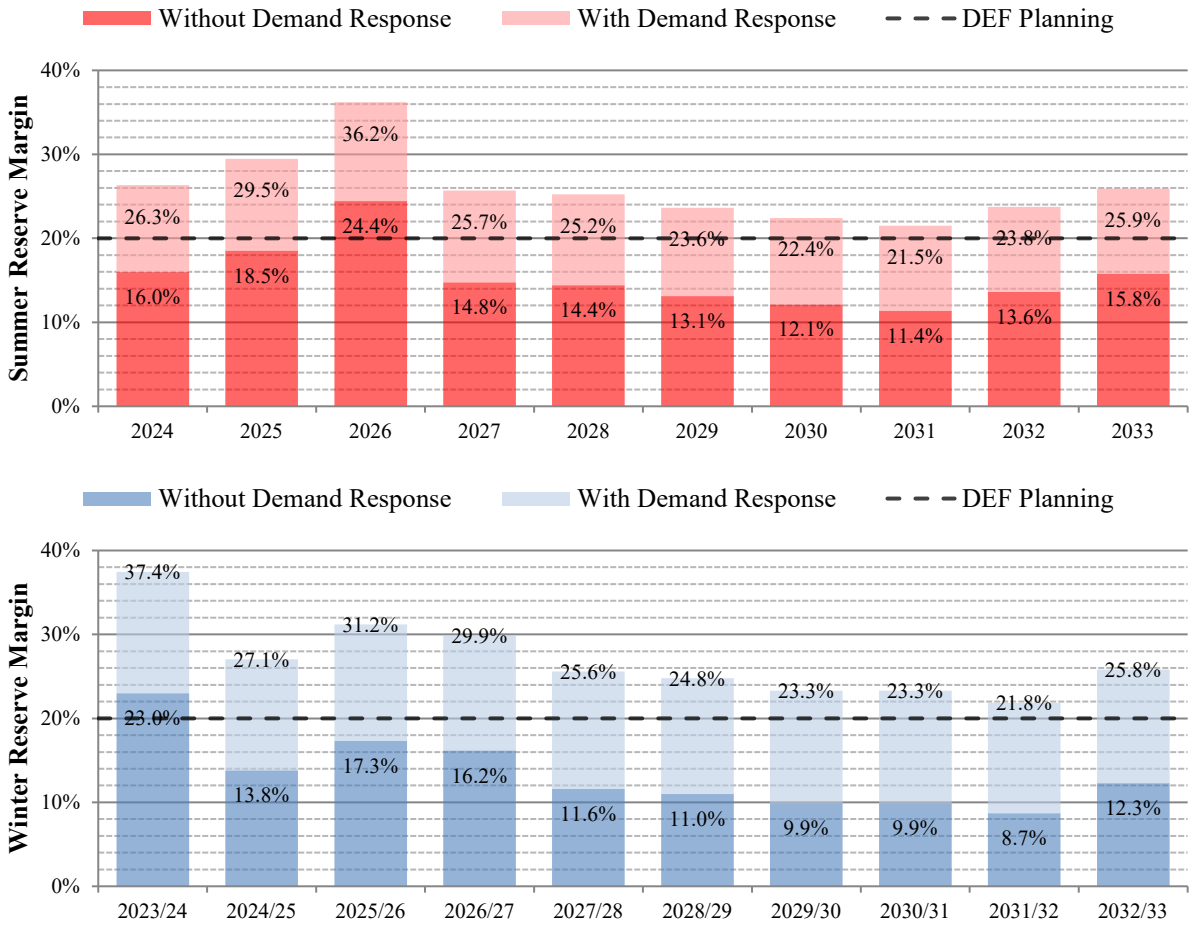
Source: 2024 Ten-Year Site Plan and Data Responses

Reliability Requirements

Since 1999, DEF has utilized a 20 percent planning reserve margin criterion based on a stipulation approved by the Commission.[13] Figure 24 displays the forecast planning reserve margin for DEF through the planning period for both seasons, with and without the use of demand response. As shown in the figure, DEF's generation needs are mostly controlled by its summer peaking throughout the planning period.

[13] Order No. PSC-99-2507-S-EU, issued December 22, 1999, in Docket No. 19981890-EU, *In re: Generic investigation into the aggregate electric utility reserve margins planned for Peninsular Florida.*

Figure 25: DEF Reserve Margin Forecast



Source: 2024 Ten-Year Site Plan

Generation Resources

DEF projects multiple unit retirements and additions during the planning period, as described in Table 16. DEF plans to retire 460 MW of oil-fired combustion turbines by 2027 across three sites. These retirements are completely offset by modifications to its existing natural gas-fired combined cycle facilities. Uprates to the combustion turbines will increase their summer peak capacity by 389 MW, and improved transmission facilities will allow DEF to fully utilize the acquired Osprey plant, which increases its firm contribution to 347 MW.

DEF plans additions of fossil, renewable, and storage technologies over the planning period. For new fossil generation, DEF plans a total of four new natural gas-fired combustion turbines, with a pair of 215 MW units installed in 2032 and 2033, each. For renewables, DEF plans on 63 solar sites totaling 4,718 MW in capacity, of which 891 MW are considered firm for the summer peak. In addition, DEF plans on constructing 100 MW of independent battery storage, of which 90 MW are considered firm for summer peak. DEF also plans on collocating an additional 240 MW of battery storage at 6 of the solar sites, with 40 MW per site. DEF has designated these sites as Solar Plus Storage, and included the firm contribution of the battery as part of the solar facility. None of the solar and battery additions require a need determination pursuant to the PPSA.

Table 16: DEF Generation Resource Changes

Year	Plant Name & Unit Number	Unit Type	Net Capacity (MW) Sum	Firm Capacity (MW) Sum	Notes
Retiring Units					
2026	Bayboro P1 - P4	DFO CT	151		4 Units
2027	Debary P2 - P6	DFO CT	227		5 Units
2027	Bartow P1, P3	DFO CT	82		2 Units
Total Retirements			**460**	**0**	
New Units					
2024	Sited Solar Plants	PV SUN	300	171	4 Sites
2025	Sited Solar Plants	PV SUN	300	75	4 Sites
2026	Unsited Solar Plants	PV SUN	374	94	5 Sites
2027	Unsited Solar Plants	PV SUN	374	94	5 Sites
2027	Unsited Energy Storage	BAT	100	90	
2028	Unsited Solar Plant	PV SUN	300	30	4 Sites
2028	Unsited Solar Plus Storage	PV SUN	150	55	2 Sites
2029	Unsited Solar Plant	PV SUN	374	37	5 Sites
2029	Unsited Solar Plus Storage	PV SUN	150	55	2 Sites
2030	Unsited Solar Plant	PV SUN	449	45	6 Sites
2030	Unsited Solar Plus Storage	PV SUN	150	55	2 Sites
2031	Unsited Solar Plant	PV SUN	599	60	8 Sites
2032	Unsited Solar Plant	PV SUN	599	60	8 Sites
2032	Undesignated CTs 1 & 2	NG CT	430		2 Units
2033	Unsited Solar Plant	PV SUN	599	60	8 Sites
2033	Undesignated CTs 3 & 4	NG CT	430		2 Units
Total New Units			**5,678**	**981**	
Net Additions			**5,218**		

Source: 2024 Ten-Year Site Plan

Tampa Electric Company (TECO)

TECO is an investor-owned utility and Florida's third largest electric utility. The Company's service territory is within the FRCC region and consists primarily of the Tampa metropolitan area. As an investor-owned utility, the Commission has regulatory authority over all aspects of operations, including rates, reliability, and safety. Pursuant to Section 186.801(2), F.S., the Commission finds TECO's 2024 Ten-Year Site Plan suitable for planning purposes.

Load and Energy Forecasts

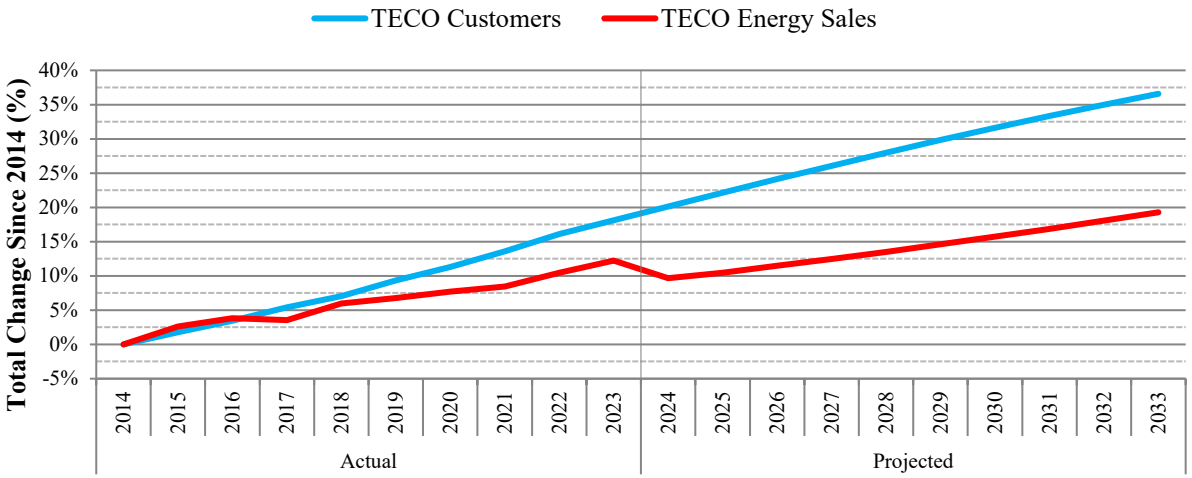
In 2023, TECO had approximately 834,144 customers and annual retail energy sales of 20,791 GWh or approximately 8.9 percent of Florida's annual retail energy sales. Over the last 10 years, TECO's customer base has increased by approximately 18.1 percent, while retail energy sales have increased by approximately 12.2 percent.

TECO's total customer growth in 2023 averaged 1.8 percent approximately with the residential class being the engine behind the growth. Over the next 10 years customer growth is expected to increase at an average rate of 1.5 percent annually. The primary driver of customer growth in the residential sector will be new construction and increasing net in-migration to the Company's service area.

TECO's average annual energy consumption per residential customer is slightly higher in 2023 than in 2022, primarily due to the record-breaking heat in 2023. Likewise, the Company's commercial per customer usage was slightly higher in 2023 than in 2022 due to the record-breaking heat. TECO's industrial per customer usage in 2023 was also higher than in 2022. The primary driver of this increase, in addition to hotter weather, was the industrial phosphate sector had less self-serving generation and more energy purchases from TECO. Over the next 10 years, TECO expects average energy consumption per residential customer to decline at an average annual rate of 0.2 percent. The main drivers behind the decline are the increases in the energy efficiencies of the appliances, lighting, and new homes, as well as the conservation efforts and changes in housing mix. The Company also expects average energy consumption per commercial and industrial customer to decline 0.2 and 0.1 percent, respectively.

For the next 10 years, TECO's retail energy sales are projected to grow at an annual average rate of approximately 0.9 percent. This is below the projected customer growth rate of 1.4 percent primarily due to continued per customer energy consumption declines, as well as declines in the phosphate sector as the mining industry continues to move south and out of the Company's service territory. Figure 26 illustrates historic and prospective forecasted growth rates in customers and retail energy sales for the resource plan TECO filed in its 2024 TYSP.

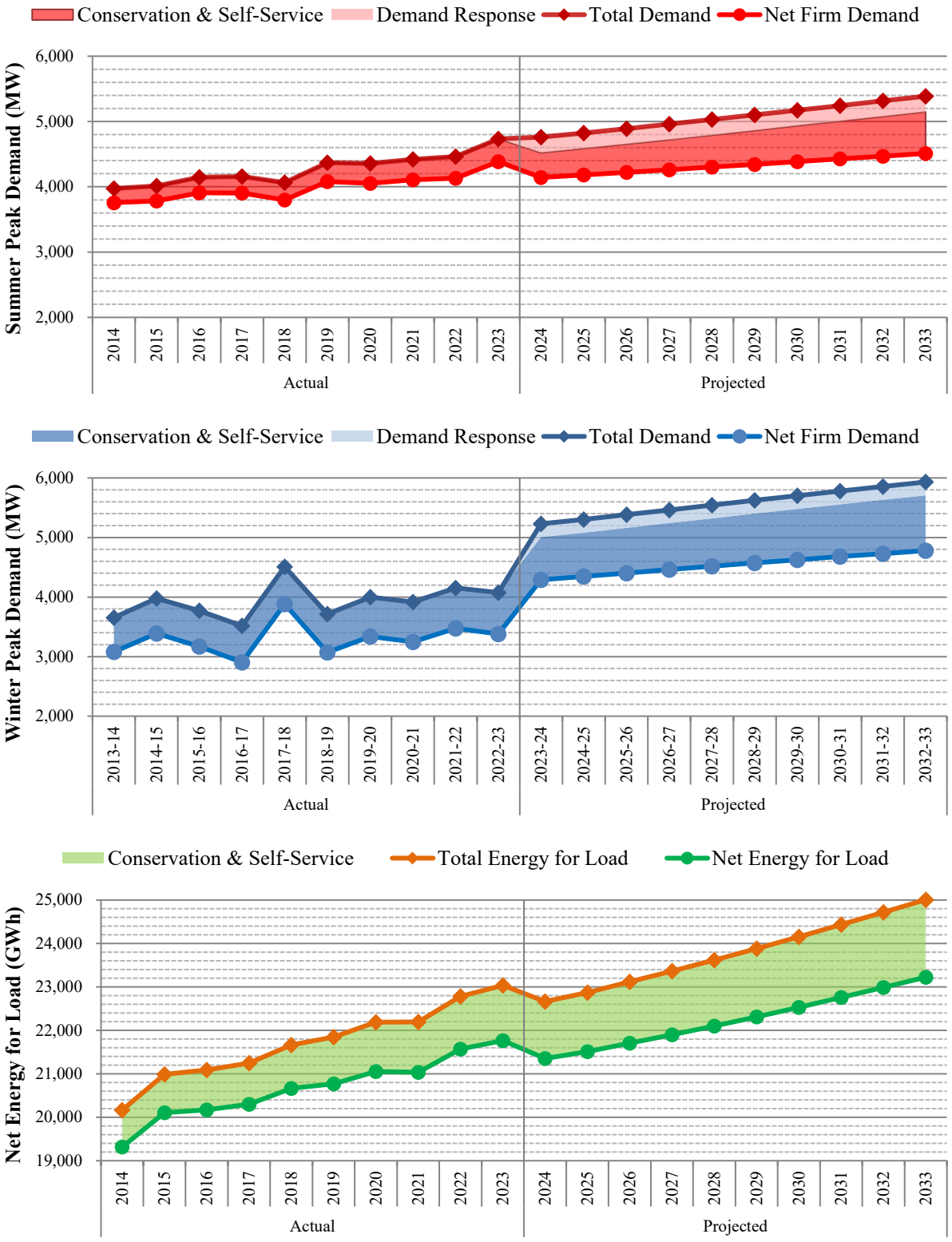
Figure 26: TECO Growth



Source: 2024 Ten-Year Site Plan

The three graphs in Figure 27 show TECO's seasonal peak demand and net energy for load for the historic years of 2014 through 2023 and forecast years 2024 through 2033. These graphs include the full impact of demand-side management, and assume that all available demand response resources will be activated during the seasonal peak. Historically, demand response has not been activated during seasonal peak demand, excluding the summer of 2013 and winters of 2017-2018 and 2018-2019. As an investor-owned utility, TECO is subject to FEECA and currently offers energy efficiency and demand response programs to customers to reduce peak demand and annual energy consumption. In August 2024, the Commission established demand side management goals for TECO for the years 2025 through 2034. In 2025, the Commission will review TECO's plan designed to achieve the Company's DSM goals. In preparing its 2024 Ten-Year Site Plan seasonal peak demand and energy forecasts, TECO assumes the trends in these goals will be extended through the forecast period (through 2033).

Figure 27: TECO Demand and Energy Forecasts



Source: 2024 Ten-Year Site Plan and Data Responses

Fuel Diversity

Table 17 shows TECO's actual net energy for load by fuel type as of 2023 and the projected fuel mix for 2033. Based on its 2024 Ten-Year Site Plan, natural gas is used for the majority of TECO's energy generation. Natural gas accounts for approximately 82 percent of net energy for load in 2023 and is projected to account for approximately 72 percent in 2033. In the future, TECO projects that energy from coal will decrease and energy from renewables will increase. TECO projects that renewable energy will increase from 8 percent to 27 percent by 2033.

Table 17: TECO Energy Generation by Fuel Type

Fuel Type	Net Energy for Load			
	2023 Actual		2033 Projected	
	GWh	%	GWh	%
Natural Gas	17,814	**81.8%**	16,721	**72.0%**
Coal	769	**3.5%**	139	**0.6%**
Nuclear	0	**0.0%**	0	**0.0%**
Oil	2	**0.0%**	0	**0.0%**
Renewable	1,748	**8.0%**	6,191	**26.7%**
Interchange	21	**0.1%**	150	**0.6%**
Other	1,412	**6.5%**	23	**0.1%**
Total	**21,767**		**23,224**	

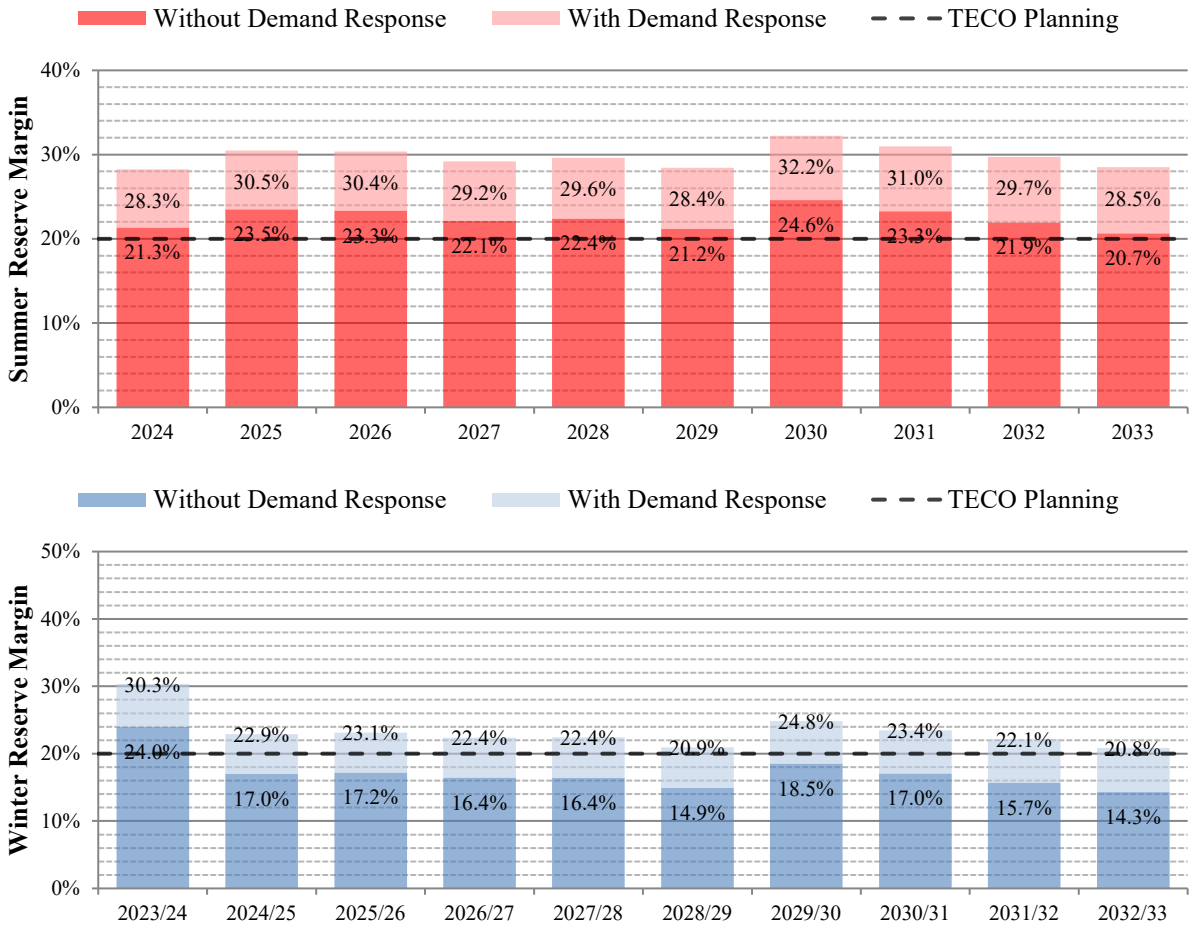
Source: 2024 Ten-Year Site Plan and Data Responses

Reliability Requirements

Since 1999, TECO has utilized a 20 percent planning reserve margin criterion based on a stipulation approved by the Commission.[14] TECO also elects to maintain a minimum supply-side reserve margin of 7 percent. Figure 28 displays the forecast planning reserve margin for TECO through the planning period for both seasons, with and without the use of demand response. As shown in the figure, TECO's generation needs are being controlled by its winter peak. TECO's current and planned investments in solar generation contribute to this shift in planning because solar resources provide coincident capacity during the summer peak but not the winter peak. TECO's 7 percent supply-side only reserve margin is not the controlling factor for any planned unit additions. However, it does provide useful information regarding the assurance that the projected 20 percent reserve margin will be realized.

[14] Order No. PSC-99-2507-S-EU, issued December 22, 1999, in Docket No. 19981890-EU, *In re: Generic investigation into the aggregate electric utility reserve margins planned for Peninsular Florida.*

Figure 28: TECO Reserve Margin Forecast



Source: 2024 Ten-Year Site Plan

Generation Resources

For its existing generating units, TECO plans uprates at its existing Bayside combined cycle facilities for an additional 72 MW of capacity, offset by the conversion of the petcoke fueled Polk 1 integrated gasification combined cycle to a natural gas-fired simple cycle system, which reduces its net firm capacity by 30 MW.

TECO plans additions of fossil, renewable, and storage technologies over the planning period, as described in Table 18. For natural gas-fired capacity, TECO plans on four 18.5 MW internal combustion units in 2025, and a single 222 MW combustion turbine in 2030. TECO plans on adding 23 solar sites for 1,585 MW of solar capacity, of which only 35 MW will be considered firm for purposes of summer peak. The Company will also be installing five battery sites with a total of 185 MW of capacity, all of which is considered to contribute to the system peak.

Table 18: TECO Generation Resource Changes

Year	Plant Name & Unit Number	Unit Type	Net Capacity (MW) Sum	Firm Capacity (MW) Sum	Notes
Retiring Units					
	None				
	Total Retirements		**0**	**0**	
New Units					
2024	Sited Solar Plants	PV SUN	97	5	2 Units
2024	Sited Energy Storage	BAT	15		1 Unit
2025	South Tampa Resilience Project	NG IC	75		4 Units
2025	Sited Solar Plants	PV SUN	149	7	2 Sites
2025	Sited Energy Storage	BAT	100		3 Sites
2026	Sited Solar Plants	PV SUN	242	8	4 Sites
2027	Sited Solar Plant	PV SUN	74	1	1 Site
2027	Unsited Solar Plant	PV SUN	74	1	1 Site
2028	Sited Solar Plants	PV SUN	130	2	2 Sites
2028	Unsited Solar Plant	PV SUN	74	1	1 Site
2028	Unsited Energy Storage	BAT	70	-	1 Site
2029	Unsited Solar Plant	PV SUN	149	2	2 Sites
2030	Unsited CT 1	NG CT	222	-	
2030	Unsited Solar Plant	PV SUN	149	2	2 Sites
2031	Unsited Solar Plant	PV SUN	149	2	2 Sites
2032	Unsited Solar Plant	PV SUN	149	2	2 Sites
2033	Unsited Solar Plant	PV SUN	149	2	2 Sites
	Total New Units		**2,067**	**35**	
	Net Additions		**2,067**	**35**	

Source: 2024 Ten-Year Site Plan

Florida Municipal Power Agency (FMPA)

FMPA is a governmental wholesale power company owned by several Florida municipal utilities throughout the state. Collectively, FMPA is Florida's seventh largest electric utility and third largest municipal electric utility. While FMPA has 33 member systems, only those members that are participants in the All-Requirements Power Supply Project (ARP) are addressed in the Company's Ten-Year Site Plan. FMPA is responsible for planning activities associated with ARP member systems. For a municipal utility, the Commission's regulatory authority is limited to safety, rate structure, territorial boundaries, bulk power supply, operations, and planning. Pursuant to Section 186.801(2), F.S., the Commission finds FMPA's 2024 Ten-Year Site Plan suitable for planning purposes.

Load and Energy Forecasts

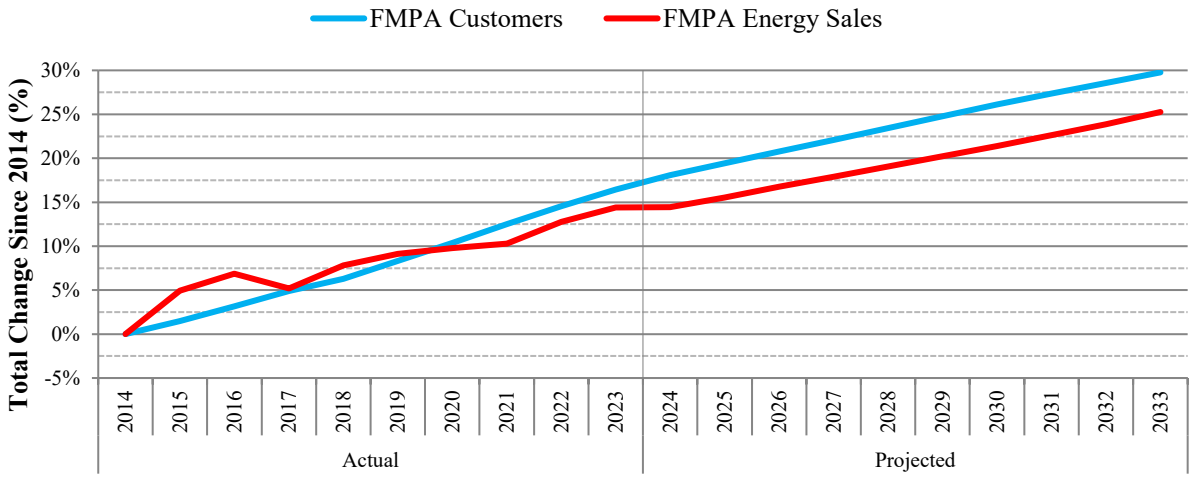
In 2023, FMPA had approximately 286,046 customers and annual retail energy sales of 6,124 GWh or approximately 2.6 percent of Florida's annual retail energy sales. Over the last 10 years, FMPA's customer base has increased by 16.4 percent, while energy sales have increased by 14.4 percent.

FMPA noted that, in aggregate, its energy usage has been relatively flat in both the residential and non-residential sectors after controlling for weather variation from normal conditions. There are countervailing factors that influence usage. In general, declines in electricity prices and population growth led to a small upward impact on usage. Concurrently, a continued orientation to conservation and continued improvement in energy efficiency place downward pressure on average usage. Both the continued conservation focus and energy efficiency improvements are driven primarily from technological advances, equipment standards, and enhanced building codes. These impacts have been offset by strong customer count gains in certain areas of the ARP Participant service territories

FMPA acknowledged that over the last several years, EVs have been adopted in increasing numbers in the Company's service area. Given the significance of this trend, the Company's 2024 load forecast includes a projection of the future impact of EV charging energy.

For the current 10-year forecast horizon, FMPA is projecting approximately a 1.1 percent average annual growth rate for its customer base, and a 1.0 percent average annual growth rate for energy sales. Figure 29 illustrates historic and prospective forecasted growth rates in customers and retail energy sales for the resource plan FMPA filed in its 2024 TYSP.

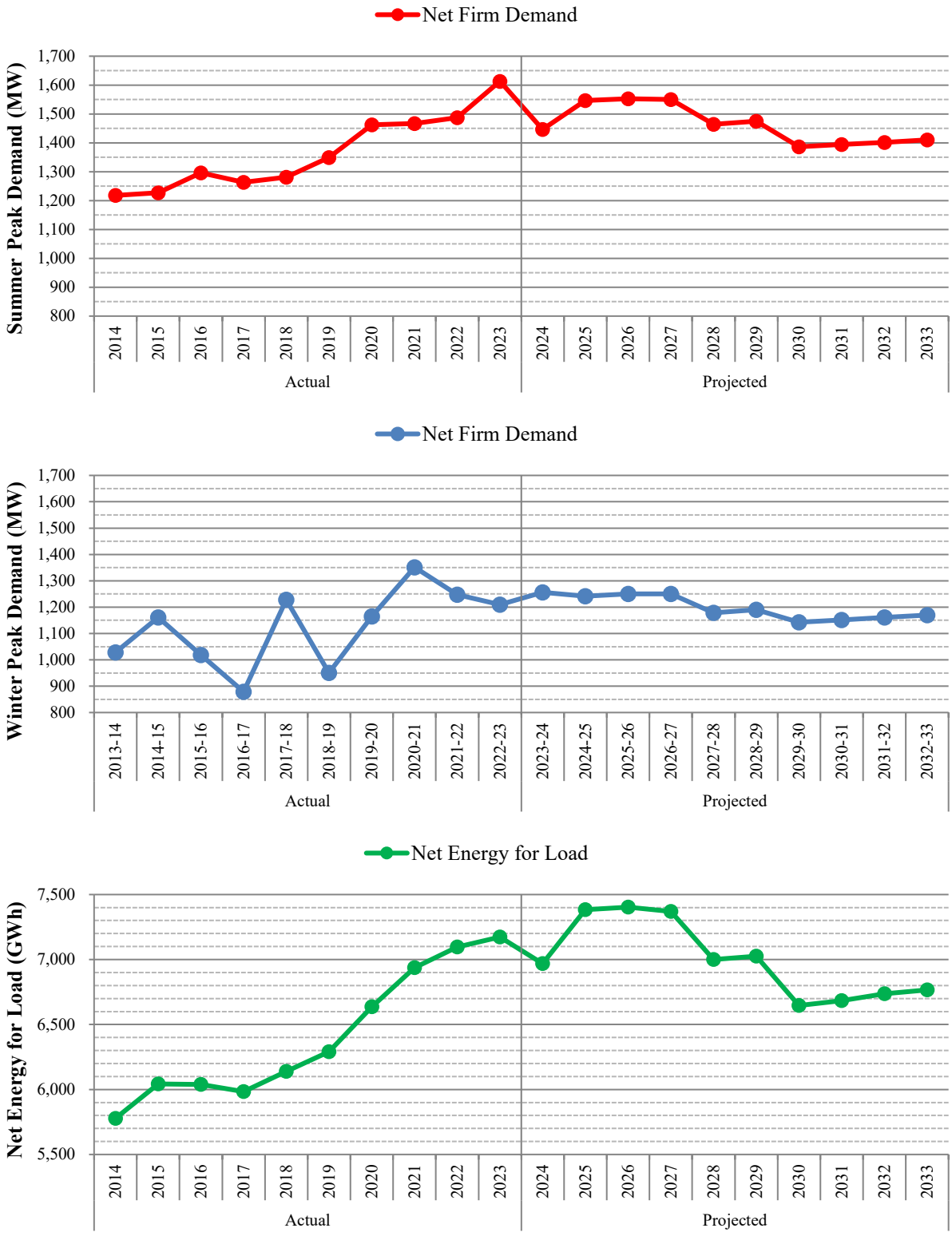
Figure 29: FMPA Growth



Source: 2024 Ten-Year Site Plan

The three graphs in Figure 30 show FMPA's seasonal peak demand and net energy for load for the historic years 2014 through 2023 and forecast years 2024 through 2033. As FMPA is a wholesale power company, it does not directly engage in energy efficiency or demand response programs. ARP member systems do offer demand-side management programs, the impacts of which are included in the graphs.

Figure 30: FMPA Demand and Energy Forecasts



Source: 2024 Ten-Year Site Plan and Data Responses

Fuel Diversity

Table 19 shows FMPA's actual net energy for load by fuel type as of 2023 and the projected fuel mix for 2033. FMPA uses natural gas as its primary fuel, supplemented by coal and nuclear generation. FMPA projects to end energy generation from coal, but approximately 90 percent of energy would still be sourced from natural gas and nuclear. FMPA projects serving 10 percent of its net energy for load with renewable resources by the end of the planning period.

Table 19: FMPA Energy Generation by Fuel Type

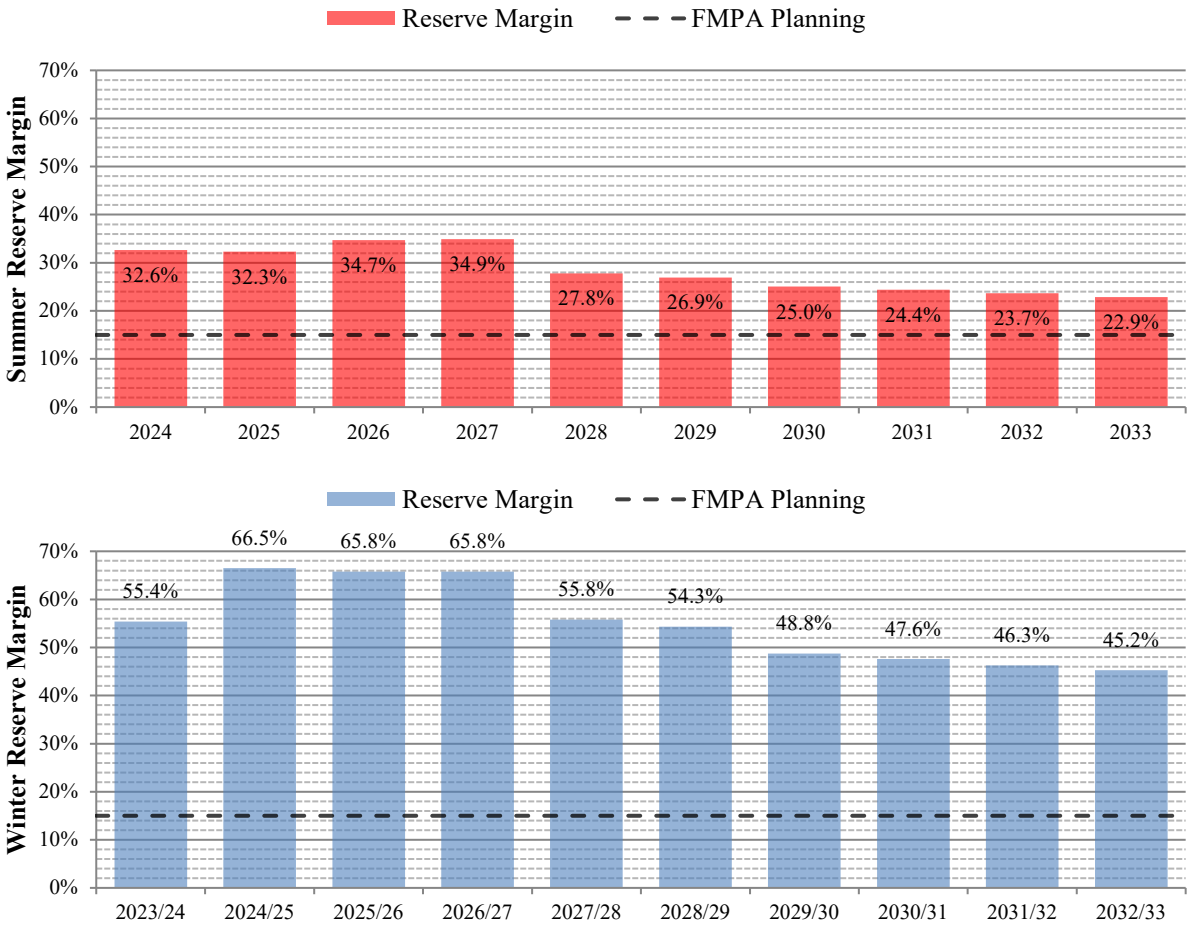
Fuel Type	Net Energy for Load			
	2023 Actual		2033 Projected	
	GWh	%	GWh	%
Natural Gas	5,853	**81.6%**	5,743	**84.9%**
Coal	769	**10.7%**	0	**0.0%**
Nuclear	406	**5.7%**	376	**5.6%**
Oil	3	**0.0%**	1	**0.0%**
Renewable	143	**2.0%**	647	**9.6%**
Interchange	0	**0.0%**	0	**0.0%**
NUG & Other	0	**0.0%**	0	**0.0%**
Total	**7,174**		**6,766**	

Source: 2024 Ten-Year Site Plan and Data Responses

Reliability Requirements

FMPA utilizes a 15 percent planning reserve margin criterion. Figure 31 displays the forecast planning reserve margin for FMPA through the planning period for both seasons. As shown in the figure, FMPA's generation needs are controlled by its summer peak throughout the planning period.

Figure 31: FMPA Reserve Margin Forecast



Source: 2024 Ten-Year Site Plan

Generation Resources

FMPA plans on retiring one unit and adding three new units during the planning period, as described in Table 20. FMPA plans on retiring the Stanton Energy Center Unit 1, a coal steam unit, in 2025. The three additions are all acquisitions of existing merchant natural gas-fired combined cycle facilities, two completed in 2024 and one projected for 2026. In addition, FMPA has entered into multiple purchased power agreements (PPAs) that will add a total of 193 MW of solar capacity by the end of 2026.

Table 20: FMPA Generation Resource Changes

Year	Plant Name & Unit Number	Unit Type	Net Capacity (MW) Sum	Notes
Retiring Units				
2025	Stanton Unit 1	Coal ST	119	Jointly Owned Unit
Total Retirements			**119**	
New Units				
2024	Sand Lake Energy Center	NG CC	120	Merchant Acquisition
2024	Mulberry	NG CC	108	Merchant Acquisition
2026	Orange Cogeneration	NG CC	104	Merchant Acquisition
Total New Units			**332**	
Net Additions			**213**	

Source: 2024 Ten-Year Site Plan

Gainesville Regional Utilities (GRU)

GRU is a municipal utility and the smallest electric utility required to file a Ten-Year Site Plan. The Utility's service territory is within the FRCC region and consists of the City of Gainesville and its surrounding area. GRU also provides wholesale power to the City of Alachua and Clay Electric Cooperative. As a municipal utility, the Commission's regulatory authority is limited to safety, rate structure, territorial boundaries, bulk power supply, operations, and planning. Pursuant to Section 186.801(2), F.S., the Commission finds GRU's 2024 Ten-Year Site Plan suitable for planning purposes.

Load and Energy Forecasts

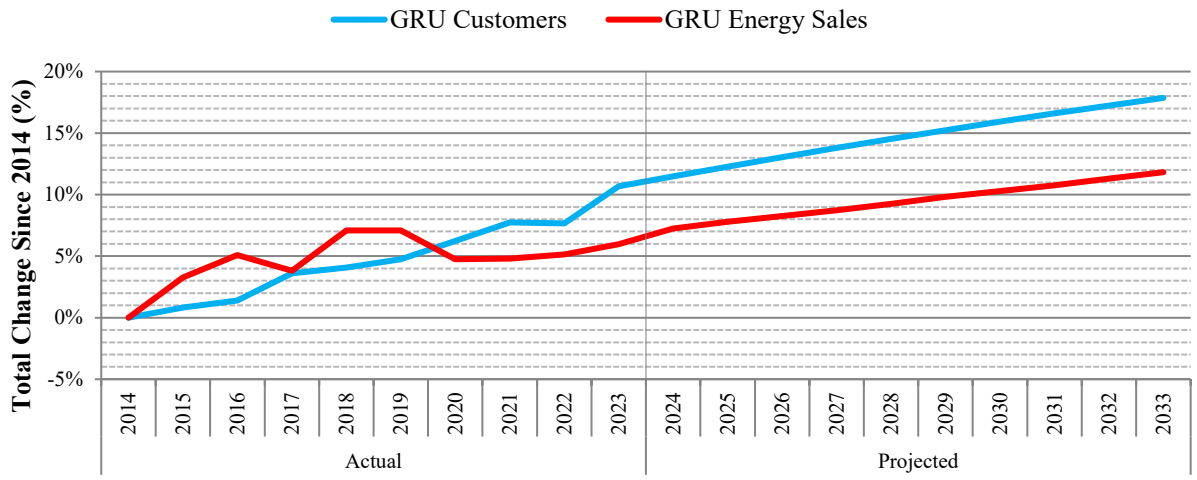
In 2023, GRU had approximately 103,865 customers and annual retail energy sales of 1,811 GWh, or approximately 0.8 percent of Florida's annual retail energy sales. Over the last 10 years, GRU's customer base has increased by approximately 10.7 percent, while retail energy sales have increased by approximately 6.0 percent.

GRU acknowledged that over the past 10 years, its residential energy consumption per customer declined approximately 0.2 percent per year, while its non-residential consumption per customer declined approximately 0.5 percent per year. For the next 10 years, the Utility projects that its residential energy usage per customer will stay relatively constant, and non-residential energy usage per customer will decline at a rate of approximately 0.3 percent per year. GRU recognized some of the factors that effect the usage per customer which include increasing electricity prices, improved building code, energy efficiency standards and regulations, and Utility-sponsored conservation measures. The Utiltiy also anticipated that in future years, loads associated with EV charging are anticipated to support usage per customer for all classes, most significantly in the residential sector with at-home charging.

For the current 10-year forecast horizon, GRU's number of customers and retail energy sales will grow at an annual average rate of approximately 0.6 and 0.5 percent, respectively. The Utility indicated that its projected growth of retail energy sales is supported by its projected increase in the number of customers and offset negatively by flat or declining energy usage per customer. The Utility also noted that load associated with electric vehicle charging is anticipated to support energy sales more in this forecast than in past forecasts.

Figure 32 illustrates historic and prospective forecasted growth rates in customers and retail energy sales for the resource plan GRU filed in its 2024 TYSP.

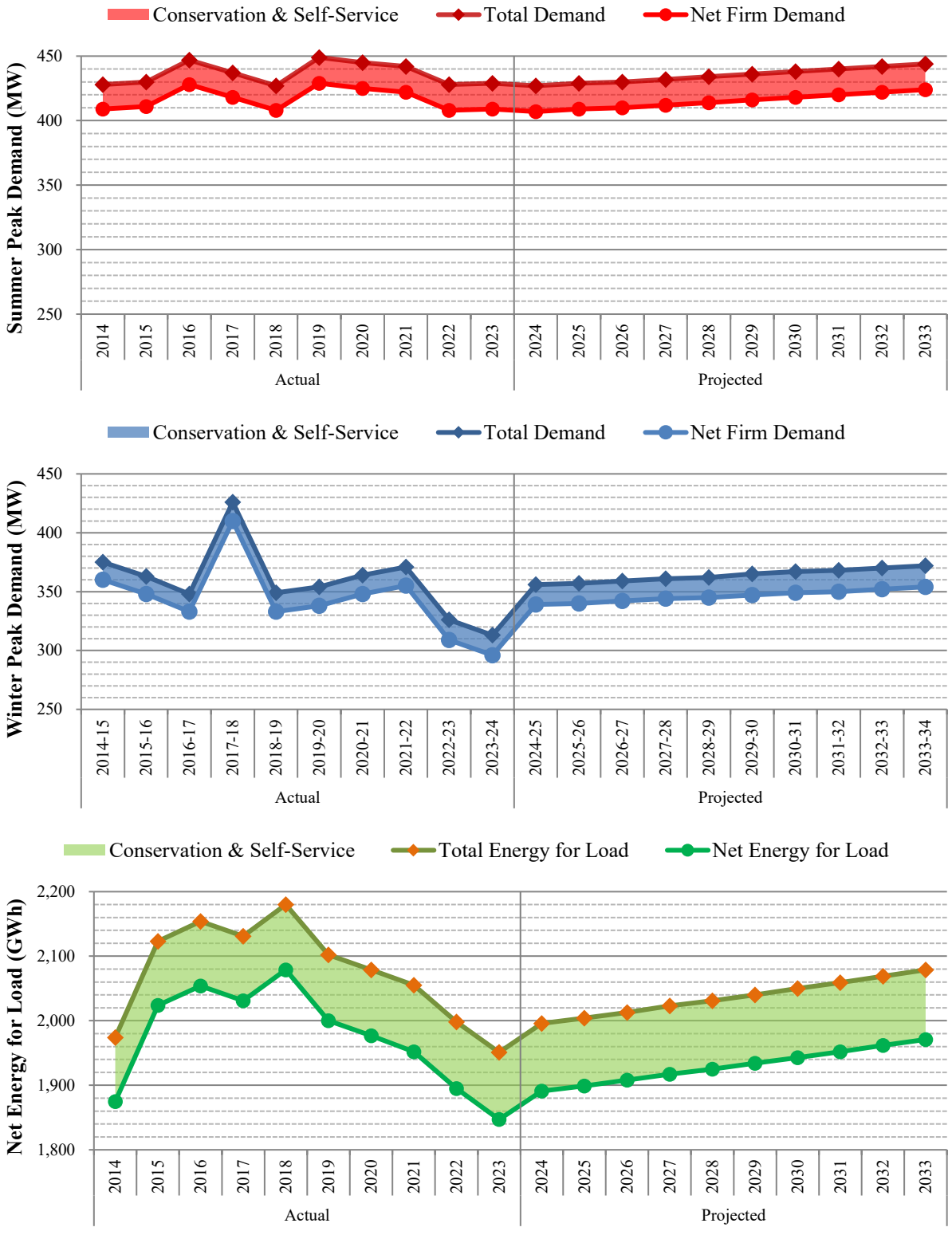
Figure 32: GRU Growth



Source: 2024 Ten-Year Site Plan

The three graphs in Figure 33 show GRU's seasonal peak demand and net energy for load for the historic years of 2014 through 2023 and forecast years 2024 through 2033. GRU engages in multiple energy efficiency programs to reduce customer peak demand and annual energy for load. The graphs in Figure 33 include the impact of these demand-side management programs.

Figure 33: GRU Demand and Energy Forecasts



Source: 2024 Ten-Year Site Plan

Fuel Diversity

Table 21 shows GRU's actual net energy for load by fuel type as of 2023 and the projected fuel mix for 2033. In 2022, natural gas and renewables were the primary fuel for energy generation, making up approximately 100 percent of net energy for load. GRU currently has the highest percentage contribution of renewables in Florida for net energy for load, but will fall behind FPL and JEA by 2033.

Table 21: GRU Energy Generation by Fuel Type

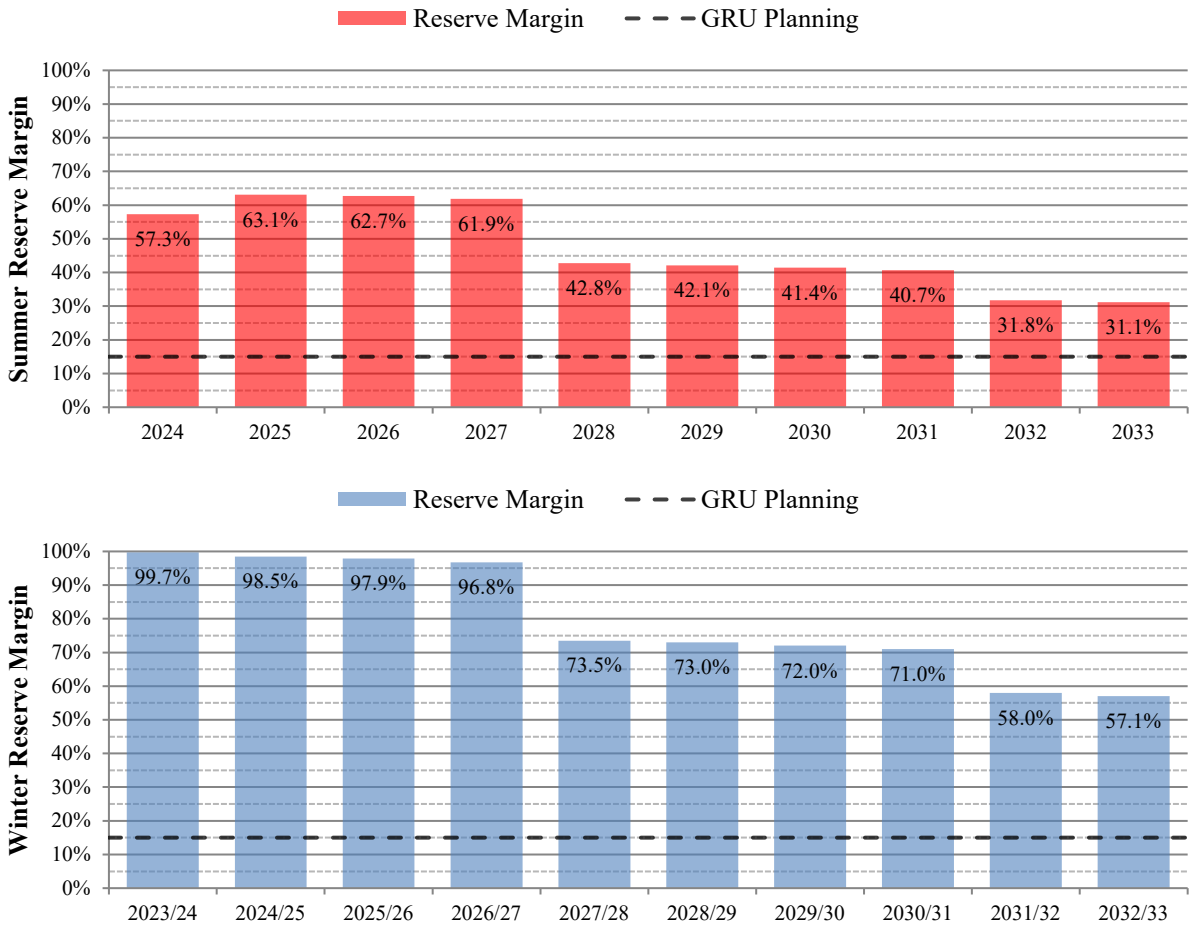
Fuel Type	Net Energy for Load			
	2023 Actual		2033 Projected	
	GWh	%	GWh	%
Natural Gas	1,574	**84.6%**	1,266	**64.2%**
Coal	20	**1.1%**	0	**0.0%**
Nuclear	0	**0.0%**	0	**0.0%**
Oil	0	**0.0%**	0	**0.0%**
Renewable	296	**15.9%**	640	**32.5%**
Interchange	0	**0.0%**	0	**0.0%**
NUG & Other	(29)	**-1.6%**	66	**3.3%**
Total	**1,861**		**1,972**	

Source: 2024 Ten-Year Site Plan and Data Responses

Reliability Requirements

GRU utilizes a 15 percent planning reserve margin criterion for seasonal peak demand. Figure 34 displays the forecast planning reserve margin for GRU through the planning period for both seasons. As shown in the figure, GRU's generation needs are controlled by its summer peak throughout the planning period.

Figure 34: GRU Reserve Margin Forecast



Source: 2024 Ten-Year Site Plan

Generation Resources

GRU currently plans on retiring three natural gas-fired units, as described in Table 22. All three units, a pair of combustion turbines and a steam turbine, are located at GRU's Deerhaven plant. In addition, GRU entered into a 20 year contract that is expected to deliver an additional 75 MW of solar capacity through a PPA with an expected in-service year of 2025, including a 12 MW battery installation.

Table 22: GRU Generation Resource Changes

Year	Plant Name & Unit Number	Unit Type	Net Capacity (MW) Sum	Notes
Retiring Units				
2027	Deerhaven Unit FS01	NG ST	76	
2031	Deerhaven Unit GT01 & GT02	NG CT	35	2 Units Total
		Total Retirements	**111**	
New Units				
	None			
		Total New Units	**0**	
		Net Additions	**(111)**	

Source: 2024 Ten-Year Site Plan

JEA

JEA, formerly known as Jacksonville Electric Authority, is Florida's largest municipal utility and fifth largest electric utility. JEA's service territory is within the FRCC region, and includes all of Duval County as well as portions of Clay and St. Johns Counties. As a municipal utility, the Commission's regulatory authority is limited to safety, rate structure, territorial boundaries, bulk power supply, operations, and planning. Pursuant to Section 186.801(2), F.S., the Commission finds JEA's 2024 Ten-Year Site Plan suitable for planning purposes.

Load and Energy Forecasts

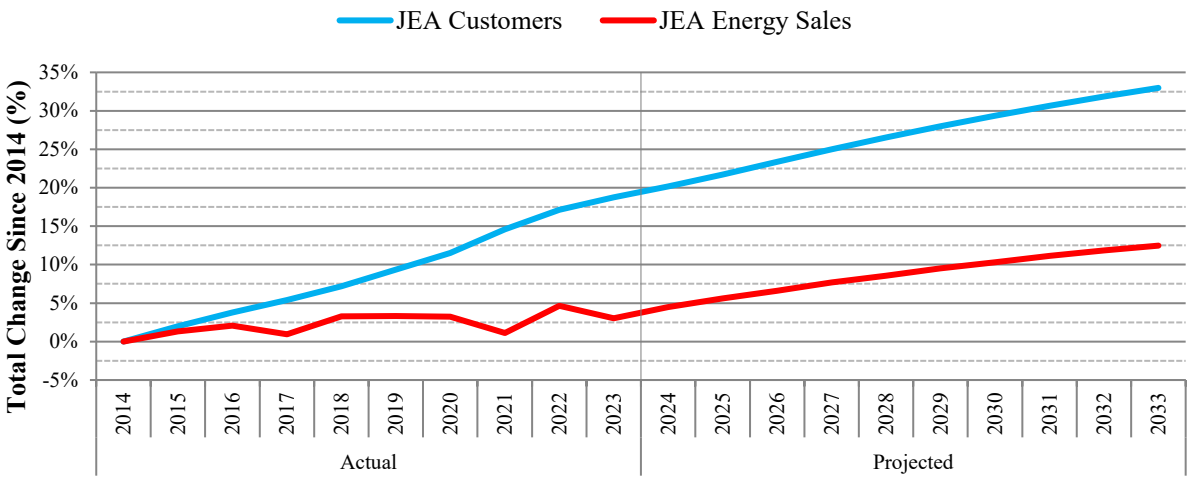
In 2023, JEA had approximately 514,909 customers and annual retail energy sales of 12,295 GWh or approximately 5.3 percent of Florida's annual retail energy sales. Over the last 10 years, JEA's customer base has increased by approximately 18.8 percent, while retail energy sales have increased by approximately 3.0 percent.

JEA utilized various economic and demographic forecasts from Moody's Analytics as the inputs to the Utility's forecasting models. Overall, Moody's Analytics inputs resulted in a forecasted percentage growth for all parameters utilized in JEA's 2024 TYSP which is very similar as compared to the 2023 forecasts. As a result, JEA projected a 1.1 percent growth for residential customers, and 0.3 percent growth for both commercial and industrial customers.

JEA indicated that the Utility-funded demand-side management programs continue to be a contributor to the usage decrease in annual energy use per residential customer. The other contributing factors include customer behavioral changes, increased electric rates, more multifamily housing constructions compared to single-family housing constructions that use less energy per customer. The Utility noted that the US Government's SEER Requirement Changes for 2015, that required new split system central air conditioners to be a minimum 14 SEER, had contributed to the majority of decrease in electricity use per customer over the past years. It further indicated that the new 2023 SEER rating standards, now requiring new air conditioners in Southern states to be a minimum 15 SEER, will continue to contribute to the decrease in electricity usage per customer. For the 2024 TYSP forecasting horizon, JEA expected that the average energy consumption per customer will stay flat for residential customers, decrease for commercial customers with an annual growth rate of negative 0.9 percent, and increase slightly for industrial customers with a rate of 0.2 percent.

For the next 10 years, JEA's forecasting results indicate that the customer numbers will grow at an average annual rate of 1.1 percent; and the retail energy sales will grow at an average annual rate of 0.8 percent. Figure 35 illustrates historic and prospective forecasted growth rates in customers and retail energy sales for the resource plan JEA filed in its 2024 TYSP.

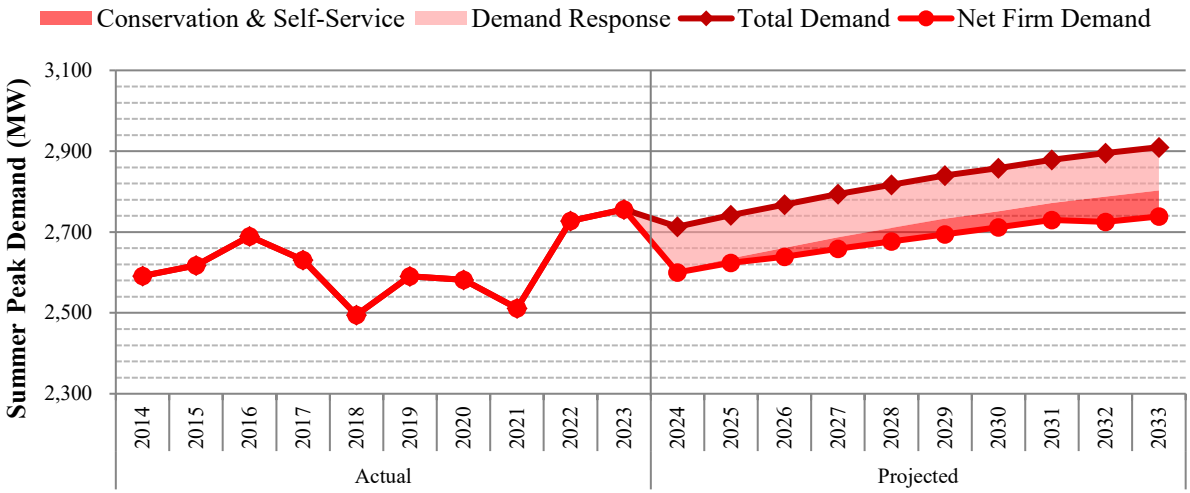
Figure 35: JEA Growth

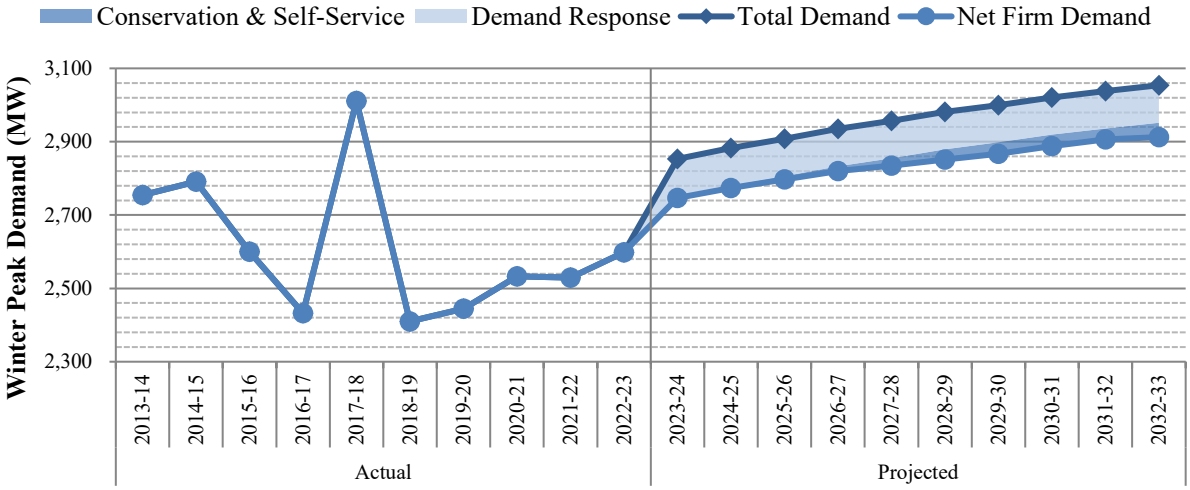


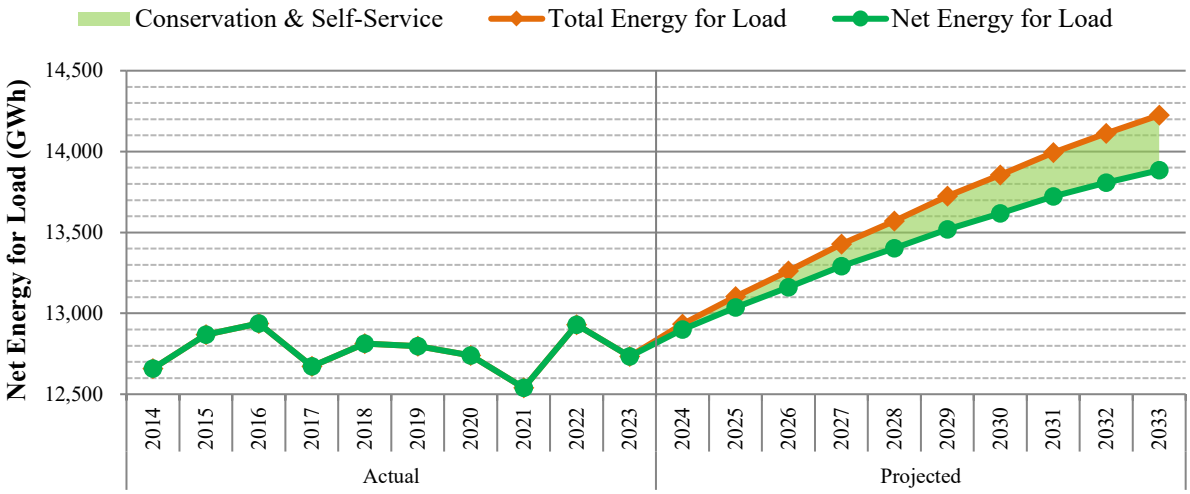
Source: 2024 Ten-Year Site Plan

The three graphs in Figure 36 show JEA's seasonal peak demand and net energy for load for the historic years of 2014 through 2023 and forecast years 2024 through 2033. While a municipal utility, JEA is subject to FEECA and currently offers energy efficiency and demand response programs to customers to reduce peak demand and annual energy consumption. These graphs include the full impact of demand-side management, and assume that all available demand response resources will be activated during the seasonal peak. In August 2024, the Commission established demand side management goals for JEA for the years 2025 through 2034. In 2025, the Commission will review JEA's plan designed to achieve the Utility's DSM goals. In preparing its 2024 Ten-Year Site Plan seasonal peak demand and energy forecasts, JEA assumes the trends in these goals will be extended through the forecast period (through 2033).

Figure 36: JEA Demand and Energy Forecasts







Source: 2024 Ten-Year Site Plan

Fuel Diversity

Table 23 shows JEA's actual net energy for load by fuel type as of 2023 and the projected fuel mix for 2033. While natural gas was the dominant fuel source in 2023, purchases through the Interchange was JEA's second most utilized energy source. JEA has the highest percentage of energy from other utilities (interchange), primarily from a contract with the Municipal Electric Authority of Georgia for 200 MW from the Vogtle nuclear Units 3 and 4. JEA's 2024 Ten-Year Site plan projects that a JEA will reduce its use of coal while increasing its renewable fuel source.

Table 23: JEA Energy Generation by Fuel Type

Fuel Type	Net Energy for Load			
	2023 Actual		2033 Projected	
	GWh	%	GWh	%
Natural Gas	7,268	**57.1%**	8,192	**59.0%**
Coal	1,231	**9.7%**	397	**2.9%**
Nuclear	0	**0.0%**	0	**0.0%**
Oil	3	**0.0%**	5	**0.0%**
Renewable	412	**3.2%**	3,146	**22.7%**
Interchange	3,763	**29.6%**	2,080	**15.0%**
NUG & Other	46	**0.4%**	65	**0.5%**
Total	**12,722**		**13,885**	

Source: 2024 Ten-Year Site Plan and Data Responses

Reliability Requirements

JEA utilizes a 15 percent planning reserve margin criterion for seasonal peak demand. Figure 37 displays the forecast planning reserve margin for JEA through the planning period for both seasons, with and without the use of demand response. JEA's current and planned purchased power agreements with solar generators contribute to this shift in planning because solar resources provide coincident capacity during the summer peak but not the winter peak.

Figure 37: JEA Reserve Margin Forecast

Source: 2024 Ten-Year Site Plan

Generation Resources

As detailed in Table 24, JEA is retiring Northside Unit 3 and adding an unnamed natural gas-fired combined cycle unit. JEA has entered into a PPA with Municipal Electric Authority of Georgia for firm nuclear capacity, and is currently receiving 100 from Vogtle Unit 3, and anticipates receiving an additional 100 MW from Vogtle Unit 4 in 2024. In addition, JEA is planning to enter into several solar PPAs totaling 1,134 MW. JEA has already entered into PPAs for 420 MW of new solar to be constructed through 2027, and 150 MW of existing solar capacity from FPL. A majority of the PPAs, totaling 559 MW, are planned for 2030. JEA also reported that approximately 140 MW of battery storage would be associated with the solar PPAs.

Table 24: JEA Energy Generation by Fuel Type

Year	Plant Name & Unit Number	Unit Type	Net Capacity (MW) Sum	Notes
Retiring Units				
2030	Northside Unit 3	NG ST	524	
		Total Retirements	**524**	
New Units				
2030	Advanced-Class 1x1 CC	NG CC	576	PPSA Approval Needed
		Total New Units	**576**	
		Net Additions	**52**	

Source: 2024 Ten-Year Site Plan

Lakeland Electric (LAK)

LAK is a municipal utility and the state's third smallest electric utility required to file a Ten-Year Site Plan. The Utility's service territory is within the FRCC region and consists of the City of Lakeland and surrounding areas. As a municipal utility, the Commission's regulatory authority is limited to safety, rate structure, territorial boundaries, bulk power supply, operations, and planning. Pursuant to Section 186.801(2), F.S., the Commission finds LAK's 2024 Ten-Year Site Plan suitable for planning purposes.

Load and Energy Forecasts

In 2023, LAK had approximately 141,106 customers and annual retail energy sales of 3,311 GWh or approximately 1.4 percent of Florida's annual retail energy sales. Over the last 10 years, LAK's customer base has increased by 13.8 percent, while retail energy sales have grown by 14.1 percent approximately.

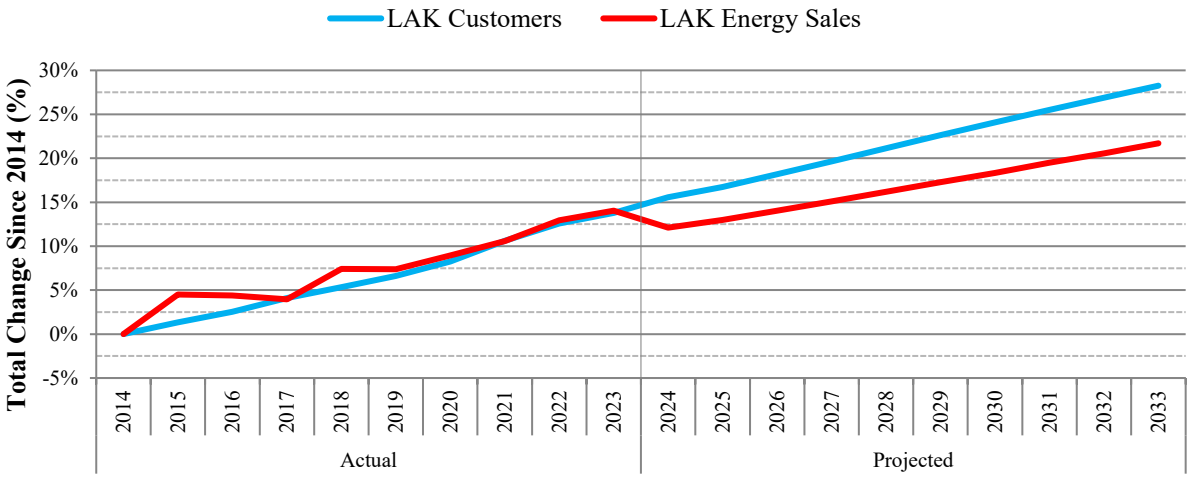
In recent years, LAK's service area in Polk County has seen a boom in e-commerce warehouse development. Notably, Amazon moved its air-hub from Tampa to the Utility's service area in the summer of 2020 and it is continuing to expand. As a result, LAK experienced 1.1 percent total customer growth in 2023, with the commercial rate class growing by 4.3 percent and industrial class growing by 2.0 percent.

Despite customer growth, LAK noted that its residential average energy consumption per customer has been declining and this trend is expected to continue. The main factors that contribute to the decline include increased appliance energy efficiency, improved building shell insulation, and changes in mix residential building type. The Utility's commercial average energy consumption per customer has also been declining, and this trend is expected to continue. Main contributors to the decline are lighting upgrades, appliance energy efficiency improvements, and the customer adoption of energy management systems. LAK expects a flattening of the trend of LAK's industrial average energy consumption mainly because the industrial customers that are projected to be added are expected to be mostly classified in the "small demand" industrial category.

LAK noted that, although the average energy consumption per customer is declining or flat for all three main rate classes, positive customer growth rates are expected to compensate for average energy use declines. The Utility assumed the impact of conservation programs are already included in the energy sales history and made no additional assumptions regarding their impact.

For the next 10 years, the Utility's forecasts indicate that LAK's number of customers are projected to grow at an average annual rate of approximately 1.2 percent, and its retail energy sales are projected to grow at an average annual rate of approximately 0.9 percent. Figure 38 illustrates historic and prospective forecasted growth rates in customers and retail energy sales for the resource plan LAK filed in its 2024 TYSP.

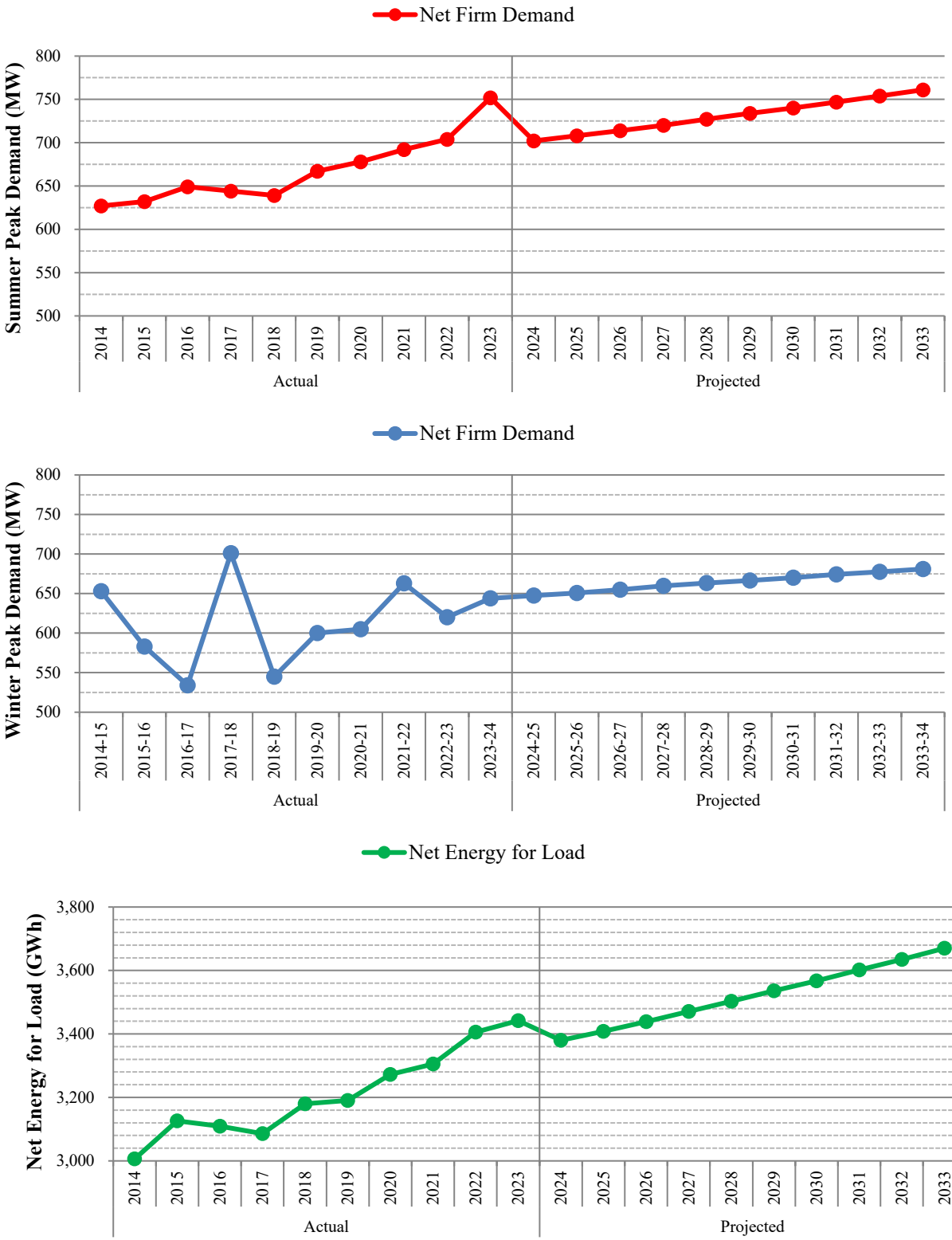
Figure 38: LAK Growth



Source: 2024 Ten-Year Site Plan

The three graphs in Figure 39 show LAK's seasonal peak demand and net energy for load for the historic years of 2014 through 2023 and forecast years 2024 through 2033. LAK offers energy efficiency programs, the impacts of which are included in the graphs.

Figure 39: LAK Demand and Energy Forecasts



Source: 2024 Ten-Year Site Plan

Fuel Diversity

Table 25 shows LAK's actual net energy for load by fuel type as of 2023 and the projected fuel mix for 2033. LAK uses natural gas as its primary fuel type for energy, with purchases (listed in the NUG & Other category below) representing about 42 percent net energy for load. While natural gas generation is anticipated to increase over the next 10 years, interchange purchases are projected to decrease to about 33 percent, while renewables increase to 5 percent by 2033.

Table 25: LAK Energy Generation by Fuel Type

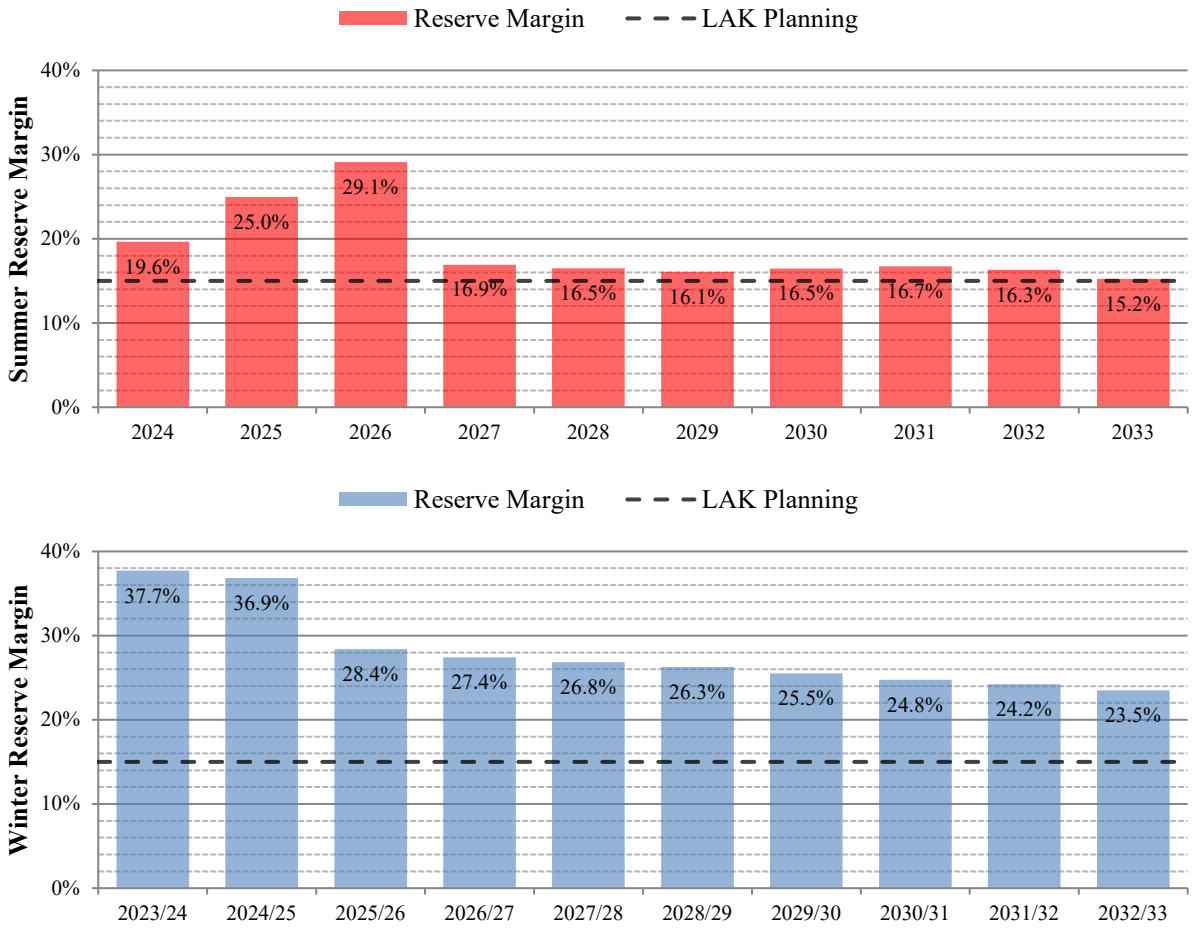
Fuel Type	Net Energy for Load			
	2023 Actual		2033 Projected	
	GWh	%	GWh	%
Natural Gas	1,976	**57.4%**	2,283	**62.2%**
Coal	0	**0.0%**	0	**0.0%**
Nuclear	0	**0.0%**	0	**0.0%**
Oil	0	**0.0%**	1	**0.0%**
Renewable	25	**0.7%**	178	**4.9%**
Interchange	0	**0.0%**	0	**0.0%**
NUG & Other	1,441	**41.9%**	1,208	**32.9%**
Total	**3,442**		**3,670**	

Source: 2024 Ten-Year Site Plan and Data Responses

Reliability Requirements

LAK utilizes a 15 percent planning reserve margin criterion for seasonal peak demand. Figure 40 displays the forecast planning reserve margin for LAK through the planning period for both seasons. The Utility does not offer demand response programs at this time. As illustrated by Figure 40, summer peak demand is the controlling factor for reliability planning for almost all years of the planning period.

Figure 40: LAK Reserve Margin Forecast



Source: 2024 Ten-Year Site Plan

Generation Resources

LAK plans to add six units during the planning period, as described in Table 26, all natural gas-fired internal combustion engines. LAK is in negotiations for a PPA with Edge Solar for a 75 MW solar facility by 2026.

Table 26: LAK Generation Resource Changes

Year	Plant Name & Unit Number	Unit Type	Net Capacity (MW) Sum	Notes
Retiring Units				
	None			
		Total Retirements	**0**	
New Units				
2024	McIntosh Units ME1 –ME6	NG IC	120	6 Units Total
		Total New Units	**120**	
		Net Additions	**120**	

Source: 2024 Ten-Year Site Plan and Data Responses

Orlando Utilities Commission (OUC)

OUC is a municipal utility and Florida's sixth largest electric utility and second largest municipal utility. The Utility's service territory is within the FRCC region and primarily consists of the Orlando metropolitan area. As a municipal utility, the Commission's regulatory authority is limited to safety, rate structure, territorial boundaries, bulk power supply, operations, and planning. Pursuant to Section 186.801(2), F.S., the Commission finds OUC's 2024 Ten-Year Site Plan suitable for planning purposes.

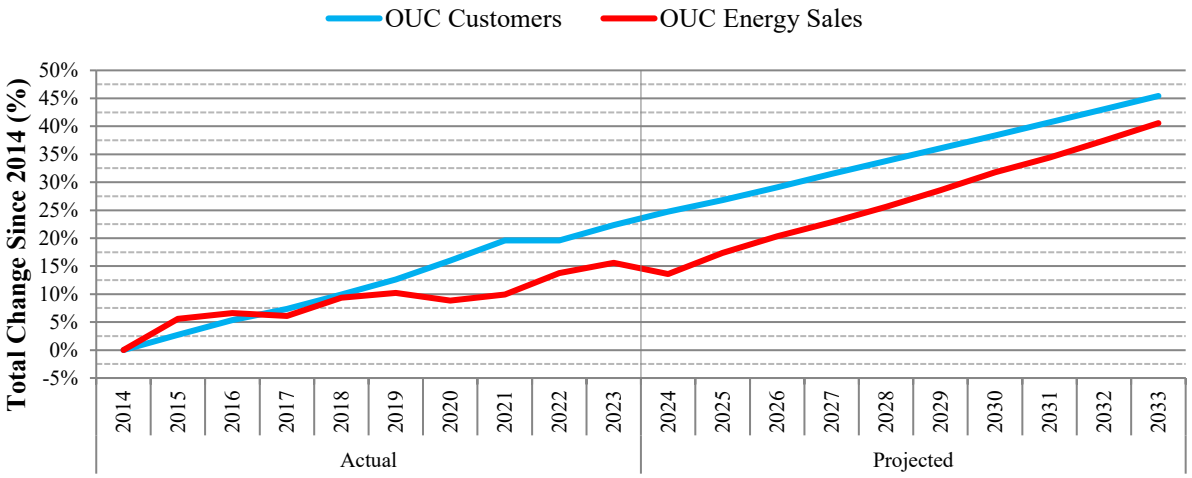
Load and Energy Forecasts

In 2023, OUC had approximately 275,339 customers and annual retail energy sales of 7,155 GWh or approximately 3.1 percent of Florida's annual retail energy sales. Over the last 10 years, OUC's customer base has increased by 22.3 percent, while its retail energy sales have increased by 15.6 percent, approximately.

OUC experienced a continued decline in weather-normalized average use per residential customer in 2023. The Utility noted that such decline has tapered dramatically since the beginning of the 10-year historic period due to the increased saturation of more efficient HVAC equipment and other electrical devices, as well as customer conservation efforts. OUC's forecasted residential average usage per customer is expected to remain relatively flat as increased electric vehicle charging mitigates further saturation of more efficient electrical equipment and conservation efforts. The Utility's average use per commercial customer also experienced a slight, long-term decline, which was greatly exacerbated by the impacts of the pandemic in 2020, but is expected to return to pre-pandemic levels. The Utility's industrial average use per customer increased approximately 1.4 percent annually over the last 10-year period.

Over the forecast horizon, OUC is projecting growth in the number of customers at an average annual rate of 1.7 percent, and retail energy sales at an average annual rate of 2.4 percent approximately. OUC noted that the main contributors to the projected customer growth include the increased population and household numbers in its service area. The main drivers for the projected growth of the energy sales include the recovery from COVID-19 pandemic effects, the projected growth in electric vehicle charging load, and major commercial expansions by Universal Studios and the Orlando International Airport that are largely outside of normal growth. Figure 41 illustrates historic and prospective forecasted growth rates in customers and retail energy sales for the resource plan OUC filed in its 2024 TYSP.

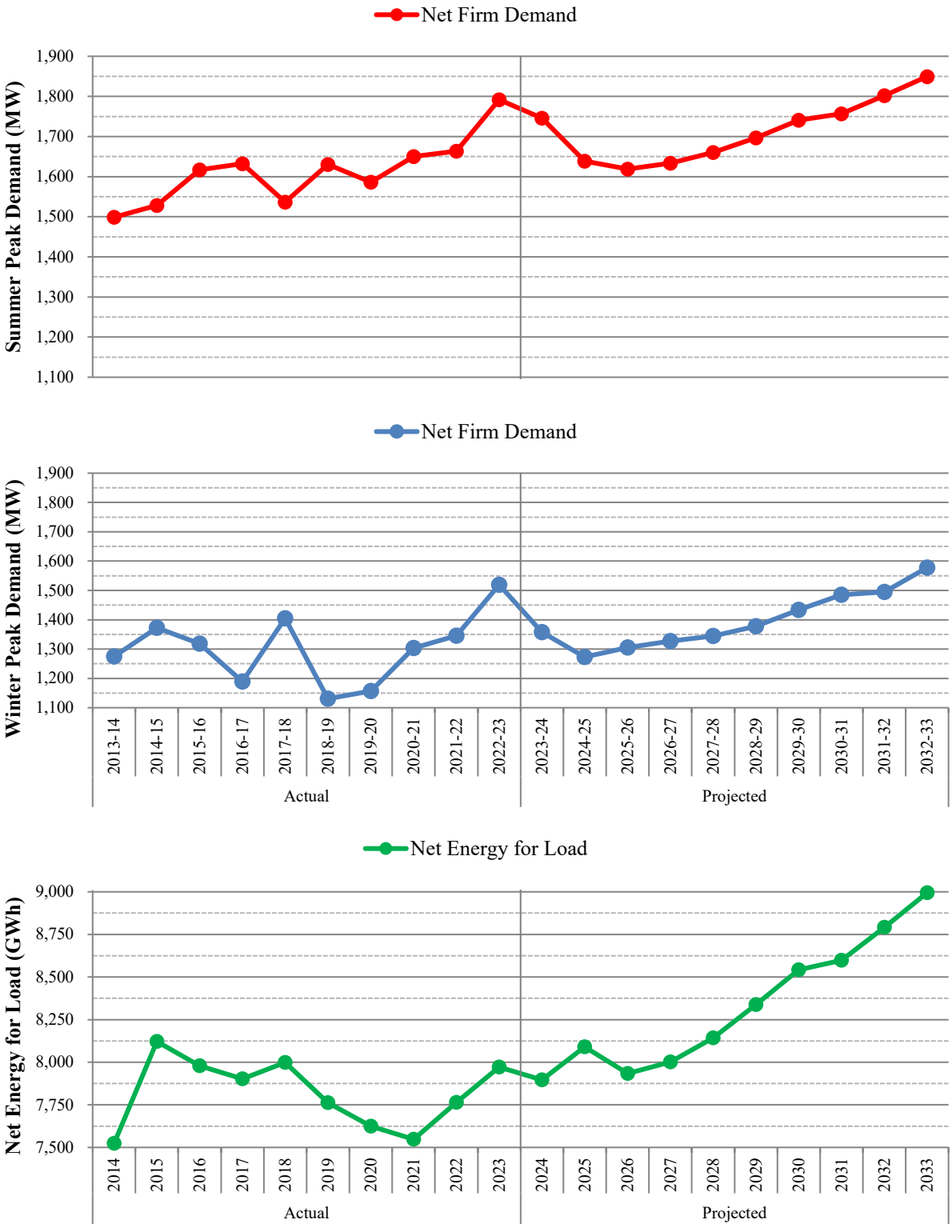
Figure 41: OUC Growth



Source: 2024 Ten-Year Site Plan

The three graphs in Figure 42 show OUC's seasonal peak demand and net energy for load for the historic years of 2024 through 2023 and forecast years 2024 through 2033. These graphs include the impact of the Utility's demand-side management programs. While a municipal utility, OUC is subject to FEECA and currently offers energy efficiency programs to customers to reduce peak demand and annual energy consumption. In August 2024, the Commission established demand side management goals for OUC for the years 2025 through 2034. In 2025, the Commission will review OUC's plan designed to achieve the Utility's 2025-2034 DSM goals. In preparing its 2024 Ten-Year Site Plan seasonal peak demand and energy forecasts, OUC assumes the trends in these goals will be extended through the forecast period (through 2033).

Figure 42: OUC Demand and Energy Forecasts



Source: 2024 Ten-Year Site Plan

Fuel Diversity

Table 27 shows OUC's actual net energy for load by fuel type as of 2023 and the projected fuel mix for 2033. In 2023, approximately 65 percent of OUC's net energy for load was met with natural gas, while coal, the second most-used fuel, met approximately 24 percent of the demand. By 2033, OUC projects an increase in renewable energy generation from 5 percent to 50 percent, the second highest in the state. The remainder of energy primarily comes from natural gas and nuclear, with coal generation completely eliminated.

Table 27: OUC Energy Generation by Fuel Type

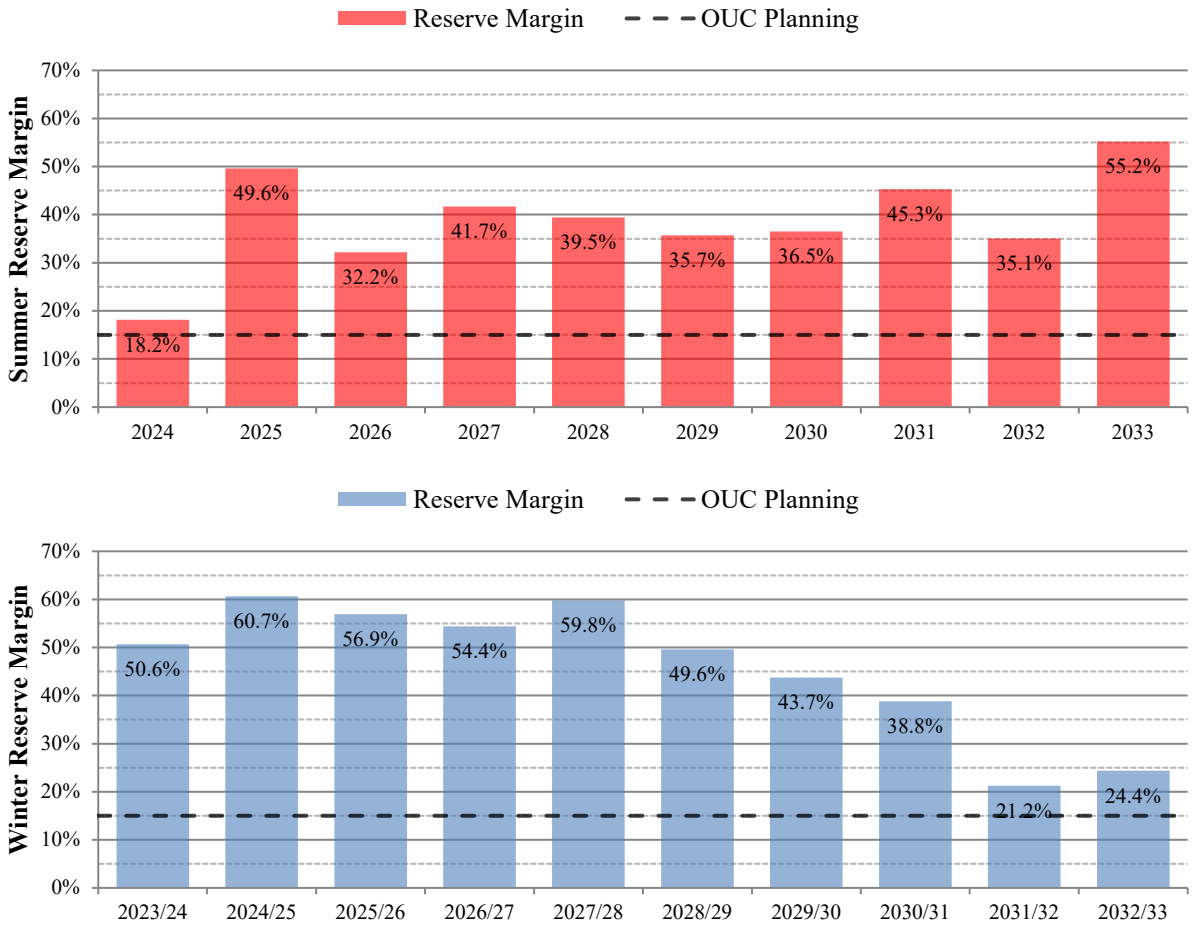
Fuel Type	Net Energy for Load			
	2023 Actual		2033 Projected	
	GWh	%	GWh	%
Natural Gas	5,144	**64.5%**	4,002	**44.5%**
Coal	1,938	**24.3%**	0	**0.0%**
Nuclear	494	**6.2%**	479	**5.3%**
Oil	0	**0.0%**	0	**0.0%**
Renewable	396	**5.0%**	4,513	**50.2%**
Interchange	0	**0.0%**	0	**0.0%**
NUG & Other	0	**0.0%**	0	**0.0%**
Total	**7,972**		**8,994**	

Source: 2024 Ten-Year Site Plan and Data Responses

Reliability Requirements

OUC utilizes a 15 percent planning reserve margin criterion for seasonal peak demand. Figure 43 displays the forecast planning reserve margin for OUC through the planning period for both seasons, including the impact of demand-side management programs. As shown in the figure, OUC's generation needs are controlled by its summer peak demand.

Figure 43: OUC Reserve Margin Forecast



Source: 2024 Ten-Year Site Plan

Generation Resources

As detailed in Table 28, OUC plans on retiring Stanton Energy Center Unit 1, OUC's oldest coal-fired unit, in 2025. OUC will convert the remaining coal-fired Stanton Energy Center Unit 2 to a natural gas-fired unit by the end of 2027. Transmission upgrades planned for 2025 will allow OUC full access to the firm capacity of their existing Osceola generating unit. OUC anticipates entering into PPAs for a total of 1,267 MW of solar net capacity and 600 MW of battery storage. These PPAs are projected to contribute 559 MW and 600 NW to firm summer peak, respectively. OUC has already signed two of these PPAs, with NextEra for a total of 149 MW of solar capacity with a planned in-service year of 2024.

Table 28: OUC Generation Resource Changes

Year	Plant Name & Unit Number	Unit Type	Net Capacity (MW) Sum	Notes
Retiring Units				
2025	Stanton Energy Center Unit 1	Coal ST	311	Jointly Owned Unit
		Total Retirements	**311**	
New Units				
	None			
		Total New Units	**0**	
		Net Additions	**(311)**	

Source: 2024 Ten-Year Site Plan

Seminole Electric Cooperative (SEC)

SEC is a generation and transmission rural electric cooperative that serves its member cooperatives, and is collectively Florida's fourth largest utility. SEC's generation and member cooperatives are within the FRCC region, with member cooperatives located in central and north Florida. As a rural electric cooperative, the Commission's regulatory authority is limited to safety, rate structure, territorial boundaries, bulk power supply, operations, and planning. Pursuant to Section 186.801(2), F.S., the Commission finds SEC's 2024 Ten-Year Site Plan suitable for planning purposes.

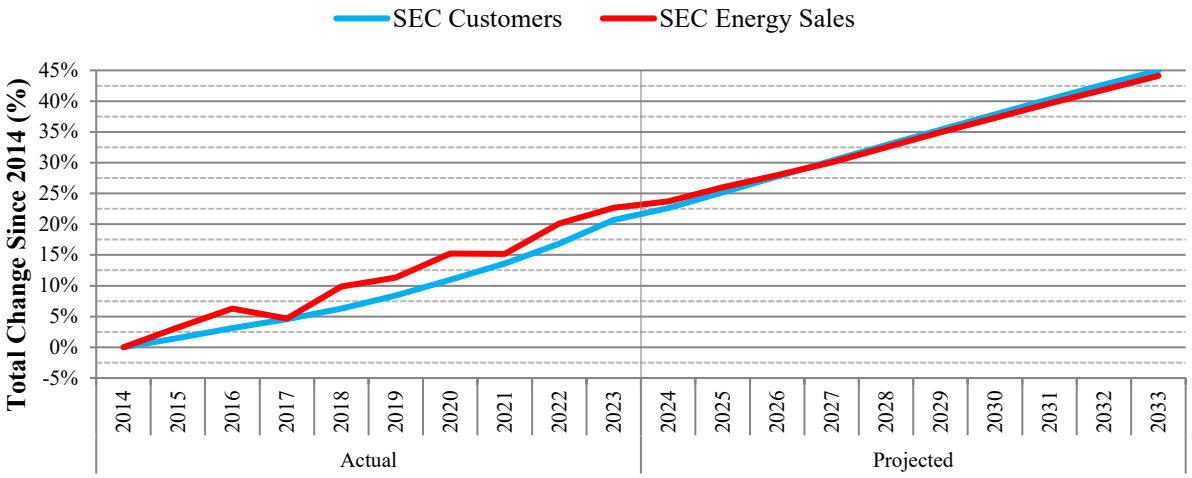
Load and Energy Forecasts

In 2023, SEC member cooperatives had approximately 893,826 customers and annual retail energy sales of 15,895 GWh or approximately 6.8 percent of Florida's annual retail energy sales. Over the last 10 years, SEC's customer base has increased by 20.7 percent, while its retail energy sales have increased by 22.7 percent, approximately.

SEC states that, historically, the consumer base of its Seminole-Member system has grown at a faster rate than the State of Florida as a whole, and this trend is expected to continue. The Utility noted that the leading indicators for load growth are Florida's expanding economy and net migration prospects into the state, especially from "baby boomer" retirees, and migration impacts during the COVID-19 pandemic. Customer growth and business activity are expected to drive growth of retail energy sales in a positive direction, while downward pressure is also anticipated. The downward pressure is expected to come from flattening and declining residential end-use which is due to growth in efficient technologies, renewable generation, and alternative resources.

Over the current 10-year forecast horizon, SEC is projecting an average annual growth rate in its customer base of 1.9 percent, and an average annual growth rate in its retail energy sales of 1.7 percent. Figure 44 illustrates historic and prospective forecasted growth rates in customers and retail energy sales for the resource plan SEC filed in its 2024 TYSP.

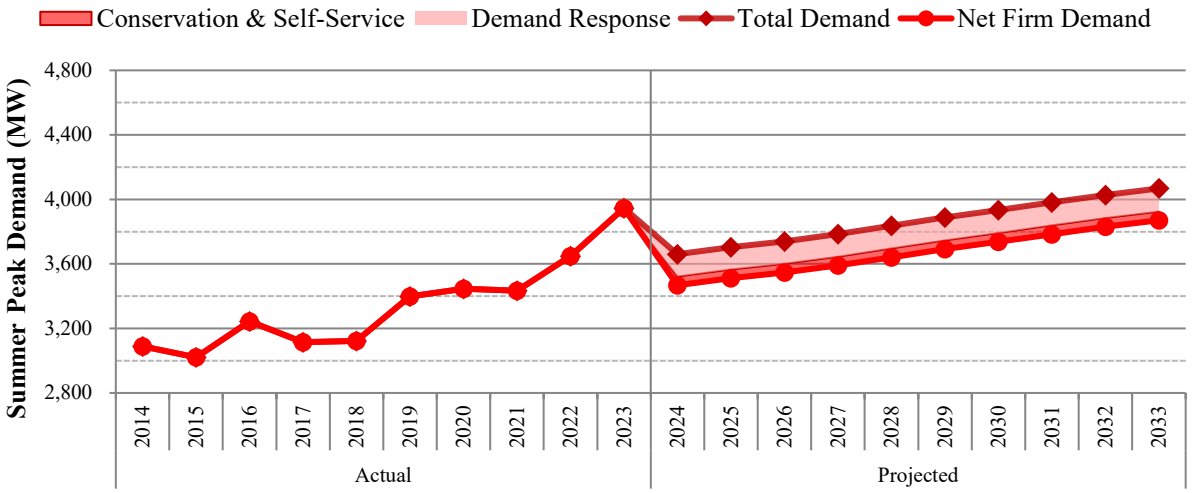
Figure 44: SEC Growth

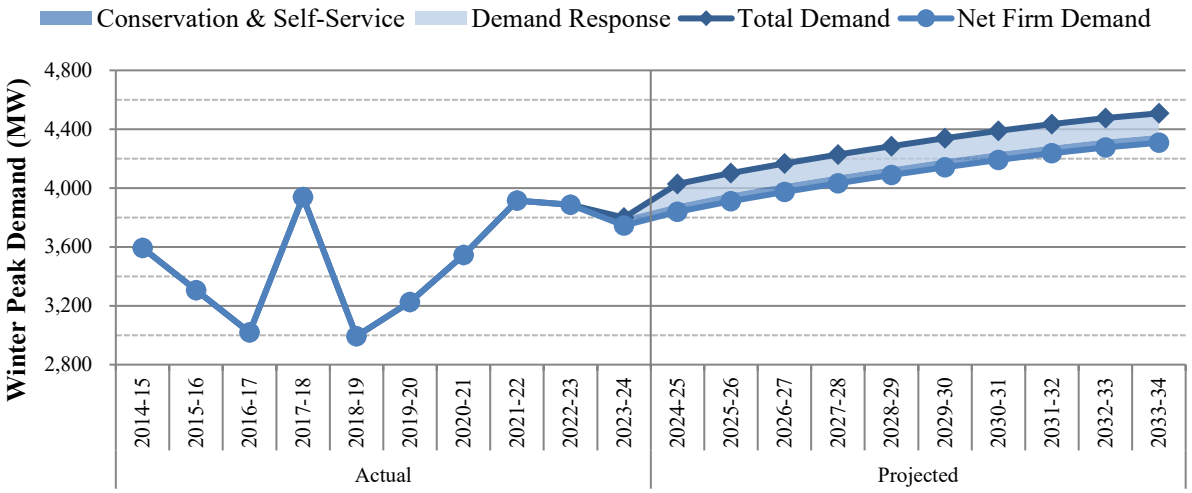


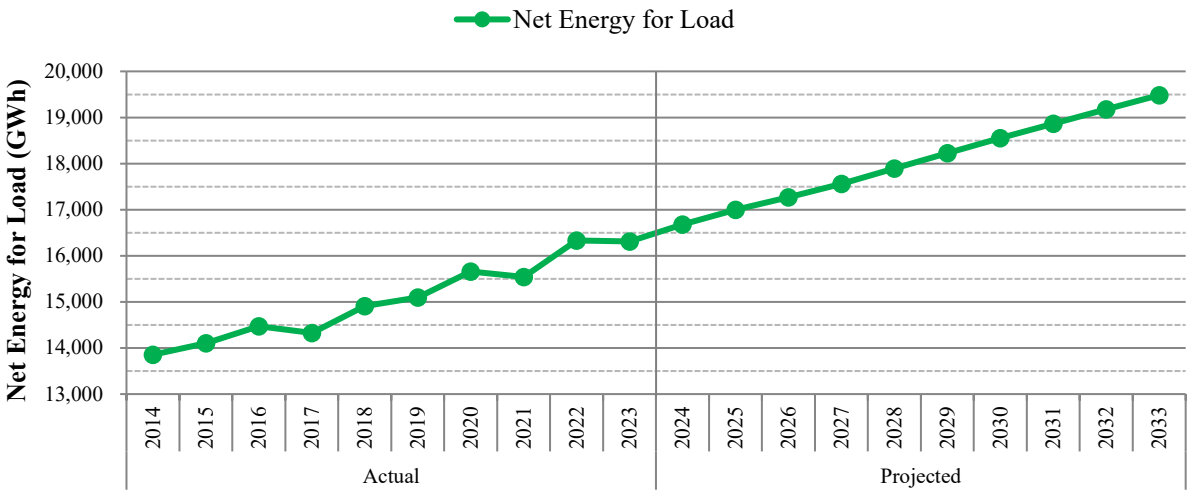
Source: 2024 Ten-Year Site Plan

The three graphs in Figure 45 show SEC's seasonal peak demand and net energy for load for the historic years 2014 through 2023 and forecast years 2024 through 2033. As SEC is a generation and transmission utility, it does not directly engage in energy efficiency or demand response programs. Member cooperatives do offer demand-side management programs, the impacts of which are included in Figure 45.

Figure 45: SEC Demand and Energy Forecasts







Source: 2024 Ten-Year Site Plan

Fuel Diversity

Table 29 shows SEC's actual net energy for load by fuel type as of 2023 and the projected fuel mix for 2033. In 2023, SEC used a mix of natural gas, coal and purchases to meet demand requirements. However, during the planning period, SEC will be switching to mostly self-generation by increasing natural gas usage while reducing coal and purchases. By 2033, natural gas will represent approximately 87 percent of SEC's fuel usage.

Table 29: SEC Energy Generation by Fuel Type

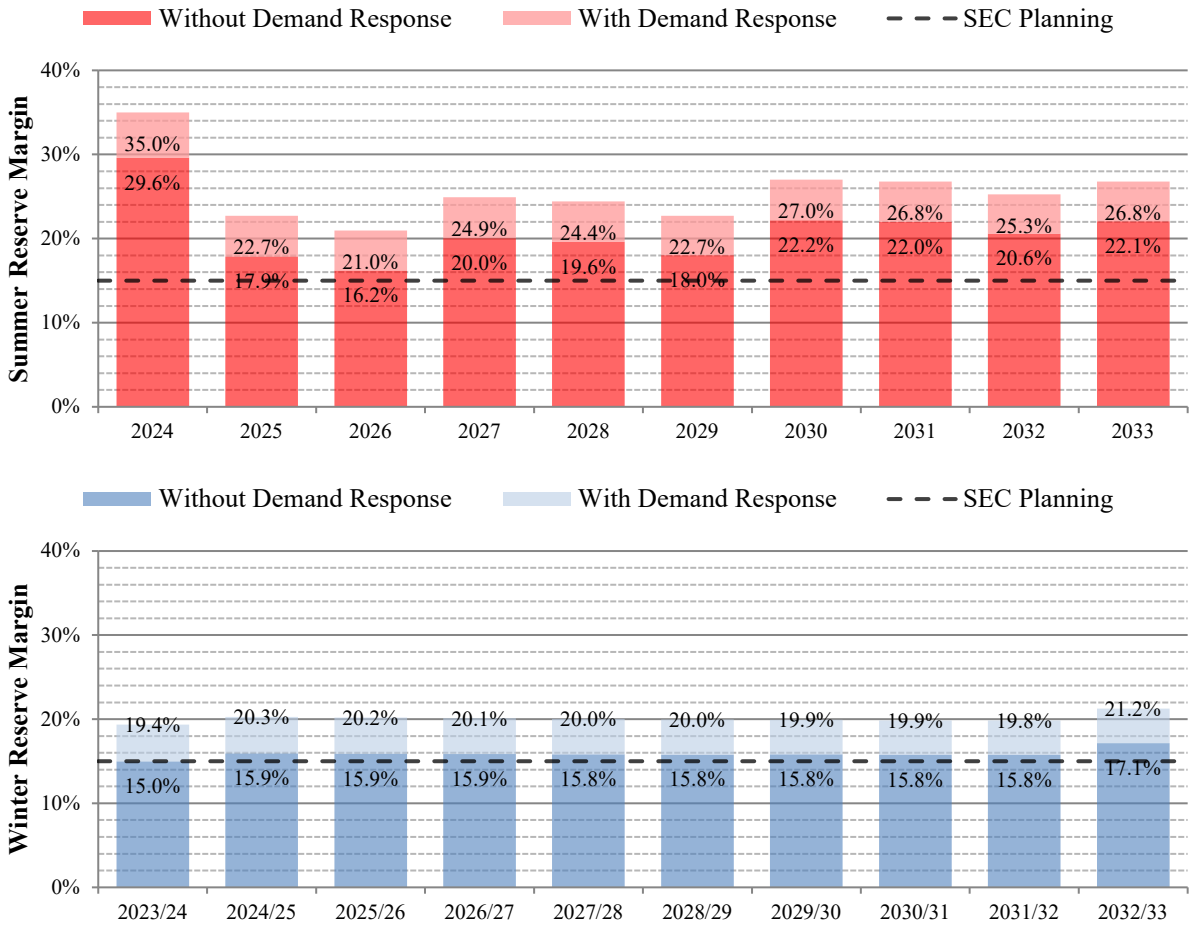
Fuel Type	Net Energy for Load			
	2023 Actual		2033 Projected	
	GWh	%	GWh	%
Natural Gas	8,920	**54.7%**	16,881	**86.6%**
Coal	4,896	**30.0%**	1,366	**7.0%**
Nuclear	0	**0.0%**	0	**0.0%**
Oil	18	**0.1%**	4	**0.0%**
Renewable	423	**2.6%**	738	**3.8%**
Interchange	141	**0.9%**	0	**0.0%**
NUG & Other	1,914	**11.7%**	495	**2.5%**
Total	**16,312**		**19,484**	

Source: 2024 Ten-Year Site Plan and Data Responses

Reliability Requirements

SEC utilizes a 15 percent planning reserve margin criterion for seasonal peak demand. Figure 46 displays the forecast planning reserve margin for SEC through the planning period for both seasons, with and without the use of demand response. Member cooperatives allow SEC to coordinate demand response resources to maintain reliability. As shown in the figure, SEC's generation needs are determined by winter peak demand more often than summer peak demand during the planning period.

Figure 46: SEC Reserve Margin Forecast



Source: 2022 Ten-Year Site Plan

Generation Resources

SEC plans to add three units during the planning period, as described in Table 30, all natural gas-fired generation. SEC plans to add two combined cycles and one combustion turbine during the planning period. SEC anticipates an additional 300 MW of solar generation through PPAs to become commercially operational by the end of 2024, of which 119 MW will be considered firm for summer peak.

Table 30: SEC Generation Resource Changes

Year	Plant Name & Unit Number	Unit Type	Net Capacity (MW) Sum	Notes
Retiring Units				
	None			
Total Retirements			**0**	
New Units				
2026	Shady Hills	NG CC	546	PPSA Approved
2029	Unnamed CT	NG CT	317	
2032	Unnamed CC	NG CC	571	PPSA Approval Needed
Total New Units			**1,434**	
Net Additions			**1,434**	

Source: 2024 Ten-Year Site Plan

City of Tallahassee Utilities (TAL)

TAL is a municipal utility and the second smallest electric utility that files a Ten-Year Site Plan. The Utility's service territory is within the FRCC region and primarily consists of the City of Tallahassee and surrounding areas. As a municipal utility, the Commission's regulatory authority is limited to safety, rate structure, territorial boundaries, bulk power supply, operations, and planning. Pursuant to Section 186.801(2), F.S., the Commission finds TAL's 2024 Ten-Year Site Plan suitable for planning purposes.

Load and Energy Forecasts

In 2023, TAL had approximately 119,140 customers and annual retail energy sales of 2,694 GWh or approximately 1.2 percent of Florida's annual retail energy sales. Over the last 10 years, TAL's customer base has increased by approximately 2.1 percent, while retail energy sales have increased by approximately 2.4 percent.

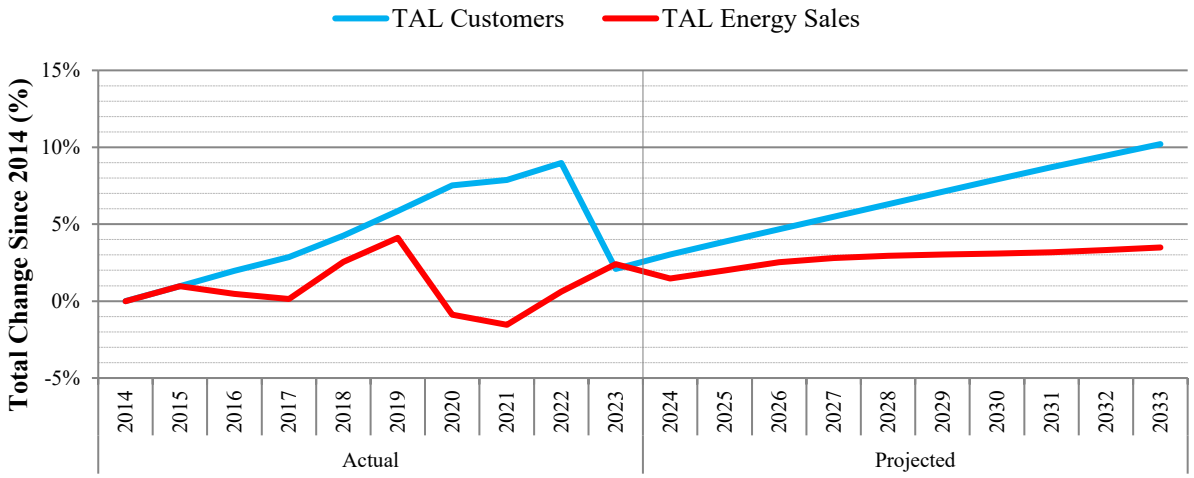
TAL's customer base consists of residential and commercial classes. The total energy consumption associated with the commercial class is higher than that associated with the residential class. The Utility's customer count growth correlates well to the rate of change in Leon County's population, household formation, and economic activity; and, the historical trend and 10 year forecast predict steady growth in its customer counts.

The Utility indicated that its energy efficiency and demand-side management programs have decreased the average residential and commercial demand and energy requirements and are projected to somewhat offset the increased growth from population in residential and commercial customers. Additionally, the Clean Energy Plan, which promotes accelerated installation of distributed solar PV and heightened energy efficiency investment through 2030, is also projected to somewhat offset the Utility's increased load growth from emerging electrification efforts such as electric vehicle charging. The net effect is the average consumption for residential and commercial customers may be approaching its minimum and leveling out over time.

Over the current forecast horizon, TAL is projecting an average annual growth rate of approximately 0.8 percent in its total customer counts, and an average annual growth rate of approximately 0.2 percent in its annual retail energy sales. Figure 47 illustrates historic and prospective forecasted growth rates in customers and retail energy sales for the resource plan TAL filed in its 2024 TYSP.

TAL implemented a new customer management software in 2022 and completed the transition in 2023. The new software positively affected the customer experience in how they are able to view and pay bills. The side effects of this implementation included some data impacts, such as transitioning from bill-based customer counts to meter-based customer counts, which overall reduced the number of customers in the billing system, and reclassifying some non-demand small commercial to residential classifications. TAL noted that the data collection issues should not persist in 2024 as the software implementation is complete.

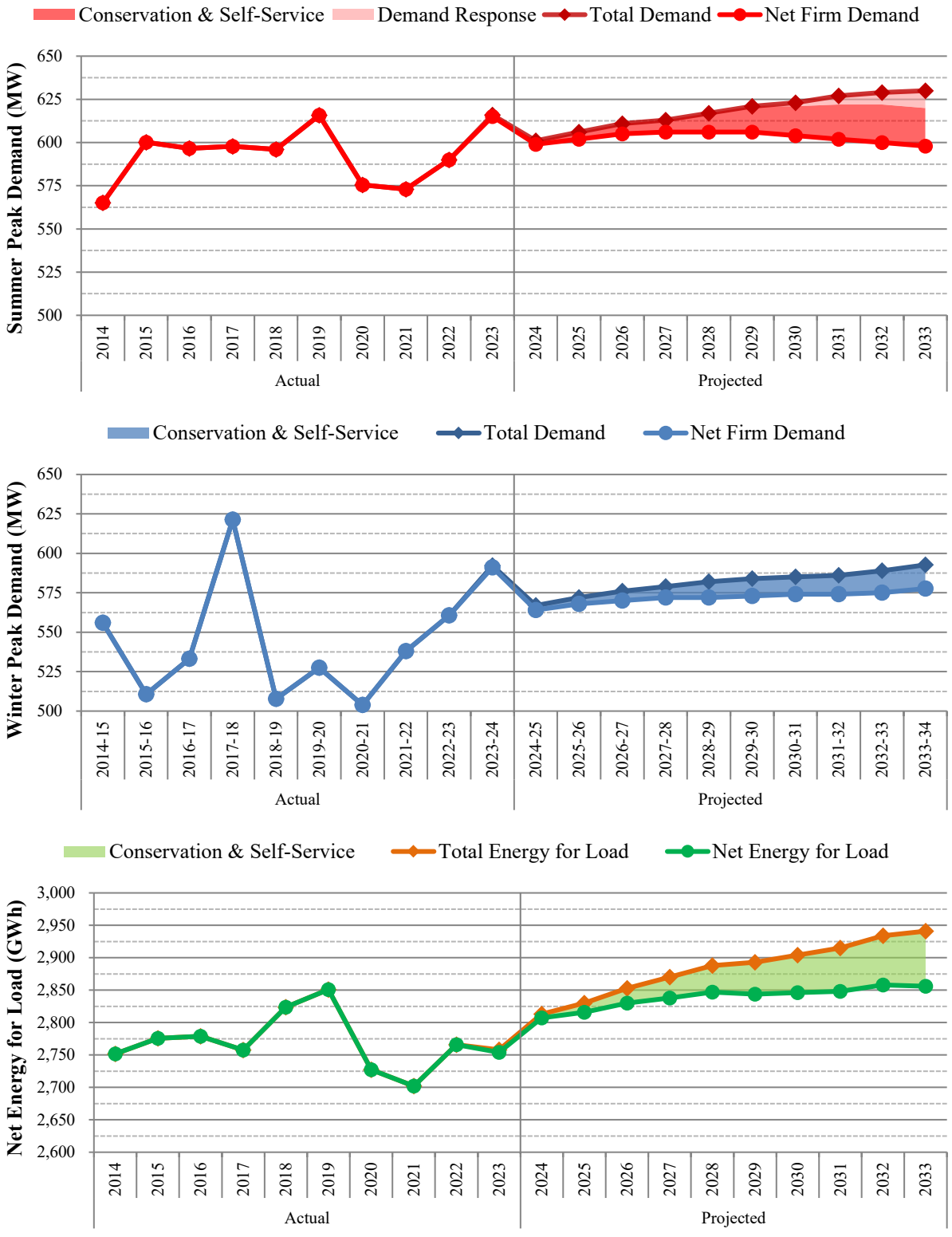
Figure 47: TAL Growth



Source: 2024 Ten-Year Site Plan

The three graphs in Figure 48 show TAL's seasonal peak demand and net energy for load for the historic years of 2014 through 2023 and forecast years 2024 through 2033. These graphs include the impact of demand-side management, and for future years assume that all available demand response resources will be activated during the seasonal peak. TAL offers energy efficiency and demand response programs to customers to reduce peak demand and annual energy consumption. Currently, TAL only offers demand response programs targeting appliances that contribute to summer peak, and therefore have no effect upon winter peak.

Figure 48: TAL Demand and Energy Forecasts



Source: 2024 Ten-Year Site Plan

Fuel Diversity

Table 31 shows TAL's actual net energy for load by fuel type as of 2023 and the projected fuel mix for 2033. TAL relies almost exclusively on natural gas for its generation, excluding some purchases from other utilities and qualifying facilities. Natural gas is anticipated to remain the primary fuel source on the system. TAL projects it will continue to be a net exporter of energy, primarily of off-peak power during shoulder months due to its generation's operating characteristics.

Table 31: TAL Energy Generation by Fuel Type

Fuel Type	Net Energy for Load			
	2023 Actual		2033 Projected	
	GWh	%	GWh	%
Natural Gas	3053	**110.9%**	2,780	**97.3%**
Coal	0	**0.0%**	0	**0.0%**
Nuclear	0	**0.0%**	0	**0.0%**
Oil	2	**0.1%**	0	**0.0%**
Renewable	107	**3.9%**	111	**3.9%**
Interchange	0	**0.0%**	0	**0.0%**
NUG & Other	(409)	**-14.9%**	(35)	**-1.2%**
Total	**2,753**		**2,856**	

Source: 2024 Ten-Year Site Plan and Data Responses

Reliability Requirements

TAL utilizes a 17 percent planning reserve margin criterion for seasonal peak demand. Figure 49 displays the forecast planning reserve margin for TAL through the planning period for both seasons, with and without the use of demand response. As discussed above, TAL only offers demand response programs applicable to the summer peak. As shown in the figure, TAL's generation needs are controlled by its summer peak throughout the planning period.

Figure 49: TAL Reserve Margin Forecast

Source: 2024 Ten-Year Site Plan

Generation Resources

TAL plans no unit additions or retirements during the planning period.

Attachment 2

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER ● 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: November 6, 2024

TO: Braulio Baez, Executive Director

FROM: Division of Economics (Barrett)

RE: Draft Report on Activities Pursuant to the Florida Energy Efficiency and Conservation Act (FEECA). Due March 1, 2025 to the Governor and Legislature.

Critical Information: Please place on the November 19, 2024 Internal Affairs agenda. Commission approval is sought.

Section 366.82(10), Florida Statutes (F.S.), requires the Florida Public Service Commission (Commission) to submit an annual report to the Governor and Legislature on the utilities' progress towards meeting goals established by the Commission pursuant to the Florida Energy Efficiency and Conservation Act. The report is due March 1, 2025.

Furthermore, Section 377.703(2)(f), F.S., requires the Commission to file information on electricity and natural gas energy conservation programs with the Department of Agriculture and Consumer Services.

Staff is seeking Commission approval of the attached draft report. Upon approval, the report will be submitted to the Governor, President of the Senate, Speaker of the House, the Commissioner of Agriculture and Consumer Services, and to the Florida Documents Librarian.

cc: Keith Hetrick, General Counsel
Mark Futrell, Deputy Executive Director, Technical
Apryl Lynn, Deputy Executive Director, Administrative

FEECA

ANUAL REPORT ON

Activities Pursuant TO THE Florida Energy AND Efficiency Conservation Act

As required by Sections 366.82(10), and 377.703(2)(f), and 355.975, Florida Statutes

DECEMBER 2024

Florida Public Service Commission

Annual Report on Activities Pursuant to

The Florida Energy Efficiency and Conservation Act

As Required by Sections 366.82(10), 377.703(2)(f), and 553.975, Florida Statutes

December 2024

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Tables and Figures

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Figures

List of Acronyms

C/I	Commercial and Industrial (Customers)
Commission or FPSC	Florida Public Service Commission
COVID-19	Coronavirus Disease of 2019
CUC	Chesapeake Utilities Corporation
DEF	Duke Energy Florida, LLC
DOE	U.S. Department of Energy
DSM	Demand-Side Management
ECCR	Energy Conservation Cost Recovery
EV	Electric Vehicle
F.A.C.	Florida Administrative Code
FCG	Florida City Gas
FEECA	Florida Energy Efficiency and Conservation Act
FLBC	Florida Building Code
FPL	Florida Power & Light Company
FPUC	Florida Public Utilities Company
FRCC	Florida Reliability Coordinating Council
F.S.	Florida Statutes
GPR	Gross Power Rating
GRIM	Gas Rate Impact Measure Test
Gulf	Gulf Power Company
GWh	Gigawatt-Hour
HVAC	Heating, Ventilation, and Air Conditioning
IGC	Indiantown Gas Company
IOU	Investor-Owned Utility
JEA	Formerly known as Jacksonville Electric Authority
kWh	Kilowatt-Hour
LDC	Natural Gas Local Distribution Company
MMBtu	One Million British Thermal Units
MW	Megawatt
MWh	Megawatt-Hour
NGCCR	Natural Gas Conservation Cost Recovery
OUC	Orlando Utilities Commission
O&M	Operations and Maintenance
PV	Photovoltaic
PGS	Peoples Gas System
RIM	Rate Impact Measure Test
SGS	Sebring Gas System
SJNG	St. Joe Natural Gas
TECO	Tampa Electric Company
TRC	Total Resource Cost Test

Executive Summary

Purpose

Reducing the growth of Florida's peak electric demand and energy consumption became a statutory objective in 1980, with the enactment of Sections 366.80 through 366.83, and Section 403.519, Florida Statutes (F.S.), collectively known and cited as the Florida Energy Efficiency and Conservation Act (FEECA).[1] FEECA 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. Sections 366.82(2) and 366.82(6), F.S., require the Florida Public Service Commission (FPSC or Commission) to establish goals for the FEECA utilities and review the goals every five years, at minimum. The utilities are required to develop cost-effective demand-side management (DSM) plans that meet those goals and submit them to the Commission for approval.

Energy conservation and DSM in Florida are accomplished through a multi-pronged approach that includes energy efficiency requirements in building codes for new construction, federal appliance efficiency standards, utility programs, and energy education efforts. Utility programs, which are paid for by all customers, are aimed at increasing efficiency levels above building codes and appliance efficiency standards.

The Commission is required by Section 366.82(10), F.S., to provide an annual report to the Florida Legislature and the Governor by March 1 summarizing the adopted goals and the progress made toward achieving those goals. Similarly, Section 377.703(2)(f), F.S., requires the Commission to file information on electricity and natural gas energy conservation programs with the Department of Agriculture and Consumer Services. This report reviews the 2023 annual goal results for each of the FEECA utilities and fulfills these statutory obligations.

The six electric utilities and single natural gas utility subject to FEECA in 2023 are listed below in order of sales:

Electric Investor-Owned Utilities
• Florida Power & Light Company (FPL) • Duke Energy Florida, LLC (DEF) • Tampa Electric Company (TECO) • Florida Public Utilities Company (FPUC)

Municipal Electric Utilities
• JEA • Orlando Utilities Commission (OUC)

Investor-Owned Natural Gas Local Distribution Company (LDC)
• Peoples Gas System (PGS)

The Commission regulates the rates and conservation cost recovery of the four electric IOUs and the single FEECA natural gas LDC. The Commission does not regulate the rates or conservation program costs of the two municipal electric utilities for which it sets DSM goals.

[1]For purposes of this report, "FEECA utilities" refers to those utilities subject to a subset of the FEECA statutes, specifically, Section 366.80 through 366.83, F.S., meeting the thresholds set forth on Section 366.82(1)(a), F.S.

Report Layout

This report presents the FEECA utilities' progress towards achieving the Commission-established goals and the Commission's efforts in overseeing these conservation initiatives. This report details these efforts through the following five sections and appendices:

- Section 1 provides a brief history of FEECA and a description of existing tools for increasing conservation throughout the State of Florida.
- Section 2 discusses the DSM goalsetting process and the most recent Commission-established goals set for the FEECA utilities.
- Section 3 reviews the utilities' goal achievements, and information on audit, low-income, and research and development programs.
- Section 4 provides an overview of the associated 2023 DSM program costs recovered through the Energy Conservation Cost Recovery (ECCR) Clause (as applies to electric IOUs) and Natural Gas Conservation Cost Recovery (NGCCR) Clause (as applies to LDCs).
- Section 5 discusses methods the Commission has used to educate consumers about conservation during the prior period, including a list of related websites.
- Appendices A and B provide a list of the 2023 conservation programs offered by FEECA Utilities and a description of each program's purpose.

2019 Goalsetting Proceeding

In November 2019, the Commission chose to continue with the goals that were established in the 2014 goalsetting proceeding for the period 2020-2024 and directed its staff to review the FEECA process for potential updates and revisions as may be appropriate.[2] In May 2023, Rule 25-17.0021, F.A.C. was amended in order to streamline information submitted by the utilities to the Commission.[3] In 2020, the Commission approved the DSM plans proposed by the investor-owned electric utilities and the municipal electric utilities.[4]

[2]Order No. PSC-2019-0509-FOF-EG, issued November 26, 2019, in Docket Nos. 20190015-EG through 20190021-EG, *In re: Commission review of numeric conservation goals.*

[3]See Docket No. 20200181-EU, Proposed amendment of Rule 25-17.0021, F.A.C., Goals for Electric Utilities. Rule development workshops for this docket were conducted in January 2021, May 2021, and November 2022. The amendments to Rule 25-17.0021, F.A.C. that were adopted in May 2023 were used in the 2024 DSM goalsetting proceeding.

[4]Order No. PSC-2020-0140-PAA-EG, issued May 12, 2020, in Docket No. 20200058-EG, *In re: Petition for approval of 2020 demand-side management plan, by Orlando Utilities Commission*; Order No. PSC-2020-0200-PAA-EG, issued June 24, 2020, in Docket No. 20200057-EG, *In re: Petition for approval of 2020 demand-side management plan, by JEA*; Order No. PSC-2020-0274-PAA-EG, issued August 3, 2020, in Docket Nos. 20200053-EG (TECO), 20200054-EG (DEF), 20200055-EG (FPL), 20200056-EG (Gulf), and 20200060-EG (FPUC), *In re: Petition for approval of 2020 demand-side management plans*.

The numeric goals are based on estimated energy and demand savings from individual DSM measures that passed the Rate Impact Measure (RIM) and Participants cost-effectiveness tests.[5] These tests are used to ensure that all ratepayers benefit from energy efficiency programs due to downward pressure on electric rates.

Section 366.82(2), F.S., also requires that the Commission adopt goals for increasing the development of demand-side renewable energy systems. The Commission recognized in its 2019 review, that Rule 25-6.065, F.A.C., Interconnection and Net Metering of Customer-Owned Renewable Generation, adopted in 2008, offered an effective means to encourage the development of demand-side renewable energy in the state.

The Commission also established numeric therm savings goals for a natural gas utility for the first time in 2019. In August 2019, the Commission approved 2019-2028 goals for PGS, based upon programs it found were cost-effective.[6] PGS also developed audit programs for its residential and commercial customers as part of the proceedings. The 2019 goalsetting processes for all FEECA utilities are further discussed in Section 2.

2023 Achievements and Related Program Costs

Florida utilities have been successful in reducing the growth rates of winter and summer peak electric demand and reducing annual energy consumption. On a cumulative basis through 2023, statewide totals reflect that summer peak demand has been reduced by 8,015 MW, winter peak demand has been reduced by 7,384 MW, and annual energy consumption has been reduced by 10,945 GWh.[7] During 2023, the electric FEECA utilities offered 103 residential and commercial programs which focused on demand reduction and energy conservation (see Appendices A and B). In addition, FEECA electric utilities performed over 247,000 residential and commercial energy audits in 2023, as shown in Section 3.2. Each FEECA utility's achievements toward the 2023 Commission-approved goals are detailed in Section 3.1.

The Commission has authority, by statute, to allow investor-owned utilities to recover costs related to conservation.[8] The Commission has implemented this authority for electric IOUs through the ECCR clause since 1980. For 2023, Florida's investor-owned electric utilities recovered approximately $311.7 million in conservation program expenditures, and the investor-owned natural gas utilities recovered about $42.1 million in conservation program expenditures.

Conclusion

Conservation in Florida is prompted by customer actions to conserve energy, federal appliance efficiency standards, state building codes for new construction, and utility-sponsored DSM programs. Customers can save energy and reduce their bills through behavioral changes and by

[5]Order No. PSC-14-0696-FOF-EU, issued December 16, 2014 (2014 Goalsetting Order), in Docket Nos. 20130199-EI through 20130205-EI, *In re: Commission review of numeric conservation goals.*
[6]Order No. PSC-2019-0361-PAA-GU, issued August 26, 2019, in Docket No. 20180186-GU, *In re: Petition for approval of demand-side management goals and residential customer assisted and commercial walk-through energy audit programs, by Peoples Gas System.*
[7]FRCC's *2024 Load & Resource Plan* (S-3, S-4, S-5). The demand and energy savings from FEECA utility DSM programs are included in these statewide FRCC totals.
[8]Section 366.05(1), F.S.

investing in energy efficient homes, appliances, and equipment. Federal appliance efficiency standards have become more stringent over time, thus increasing the baseline energy efficiency of new appliances and heating, ventilation, and air conditioning (HVAC) equipment available to Florida's consumers. Likewise, changes in the Florida Building Code (FLBC) have resulted in more energy efficient homes. Florida's electric and natural gas utilities also encourage conservation by offering energy audits, customer education, rebates on energy efficient equipment and building envelope improvements, and demand response programs.

Utilities design DSM programs to encourage the installation of appliances and equipment that exceeds levels set by current building codes and minimum efficiency standards. More stringent efficiency standards and building codes, as well as customer actions to implement efficiency outside of utility programs, reduce the potential incremental demand and energy savings available from utility-sponsored DSM programs. The level of realized savings from utility programs is dependent upon voluntary participation and, in some cases, changes in customer behavior.

Because all customers pay for the utility conservation programs as a portion of their monthly utility bills, the Commission focuses on ensuring that all customers benefit from utility-sponsored DSM programs. The Commission also encourages customers to use energy efficiently through its customer education efforts. Overall, reducing Florida's demand and energy usage for electric customers and therm usage for natural gas customers relies on customer education and participation in utility DSM programs, along with each individual's efforts to save electricity.

Conservation and renewable energy will continue to play an important role in Florida's energy future. The Commission is continuing its efforts to encourage cost-effective conservation that defers the need for new electric-generating capacity and reduces the use of fossil fuels. These initiatives support a balanced mix of resources that reliably and cost-effectively meet the needs of Florida's ratepayers.

Section 1. Florida Energy Efficiency and Conservation Act

1.1 FEECA History and Implementation

FEECA emphasizes four key areas: reducing the growth rates of weather-sensitive peak demand and electricity usage, increasing the efficiency of electricity and natural gas production and use, encouraging demand-side renewable energy systems, and conserving expensive resources, particularly petroleum fuels. Pursuant to FEECA, the Commission is required to establish appropriate goals and the FEECA utilities must develop DSM programs to meet those goals.

Upon enactment in 1980, all electric utilities in Florida were subject to FEECA. In 1989, changes were made to the law limiting the requirement to electric utilities with more than 500 gigawatt-hours (GWh) of annual retail sales. At that time, 12 Florida utilities met this threshold requirement and their combined sales accounted for 94 percent of Florida's retail electricity sales. An additional change to the law encouraged cogeneration projects.

In 1996, the Florida Legislature raised the minimum retail sales threshold for municipal and cooperative electric utilities to 2,000 GWh. Retail sales for these utilities were fixed as of July 1, 1993, and two municipal utilities met the threshold of the amended statute: JEA and OUC. In addition to these two utilities, all four Florida investor-owned electric utilities must comply with FEECA regardless of sales levels. No rural electric cooperatives met the retail sales threshold of the amended statute.

FEECA also includes natural gas utilities whose annual retail sales volume is equal to or greater than 100 million therms. PGS is the only natural gas utility that meets the therm sales threshold for conservation goals under FEECA, and thus has its own Commission-approved DSM goals.

The statute also allows the Commission to provide appropriate financial rewards and penalties to the utilities over which it has rate-setting authority. The Commission also has the authority to allow an IOU to receive an additional return on equity of up to 50 basis points for exceeding 20 percent of its annual load growth through energy efficiency and conservation measures. To date, the Commission has not awarded financial rewards or assessed penalties for any of the IOUs through FEECA. The Commission does not have rate-setting authority over JEA and OUC and therefore cannot assess financial penalties or provide financial rewards under its authority.

Table 1 lists the six electric FEECA utilities' 2023 retail electricity sales and the percentage of total statewide electricity sales by each utility. The table also includes the total energy sales for all non-FEECA utilities. Currently, the six electric utilities that are subject to FEECA account for approximately 83.5 percent of all Florida energy sales.

Table 1
Energy Sales by Florida's Electric FEECA Utilities (2023)

Florida's Electric FEECA Utilities	Energy Sales (GWh)	Percent of Total Energy Sales
Florida Power & Light Company	127,904	50.9%
Duke Energy Florida, LLC	40,832	16.3%
Tampa Electric Company	20,791	8.3%
JEA	12,295	4.9%
Orlando Utilities Commission	7,183	2.9%
Florida Public Utilities Company	685	0.3%
Electric FEECA Utilities' Total	**209,690**	**83.5%**
Non-FEECA Utilities' Total	41,432	16.5%
Total Statewide Energy Sales	**251,122**	**100.0%**

Source: FPSC's *Statistics of the Florida Electric Utility Industry* (Table 26), published in October 2024.

Sections 366.82(2) and 366.82(6), F.S., require the Commission to set goals at least every five years for the utilities subject to FEECA. The Commission sets electric goals with respect to summer and winter electric-peak demand and annual energy savings over a ten-year period, with a re-evaluation every five years. Once goals are established, the electric FEECA utilities must submit DSM plans containing programs intended to meet the goals for Commission approval.

In 2008, the Florida Legislature amended the FEECA statute, placing upon the Commission additional responsibilities when adopting conservation goals. These responsibilities included the consideration of the benefits and costs to program participants and ratepayers as a whole, as well as the need for energy efficiency incentives for customers and utilities. The Commission must also consider any costs imposed by state and federal regulations on greenhouse gas emissions.

1.2 FEECA's Influence on the Florida Energy Market

FEECA's mission is important to Florida's overall energy market. Florida's total electric consumption ranks among the highest in the country due to its sizeable population and climate-induced demand for cooling. When compared to the rest of the country, Florida's energy market is unique. The distinction is largely due to the state's climate, the high proportion of residential customers to total customers, and the significant reliance on electricity for heating and cooling.

Florida is typically a summer-peaking state, since the summer peak demand generally exceeds winter peak demand. On a typical summer day, the statewide demand for electricity can increase significantly over a span of hours.[9] Additionally, 87.8 percent of Florida's electricity customers are residential and consume 54.7 percent of the electrical energy produced. In contrast, nationally, residential customers account for 37.7 percent of total electric sales, while commercial customers represent 35.6 percent of electric consumption, and industrial customers

[9]FPSC's *Review of the 2023 Ten-Year Site Plans of Florida's Electric Utilities* (November 2024).

represent 26.5 percent.[10] Table 2 shows the makeup of Florida's electric customers by class and consumption.

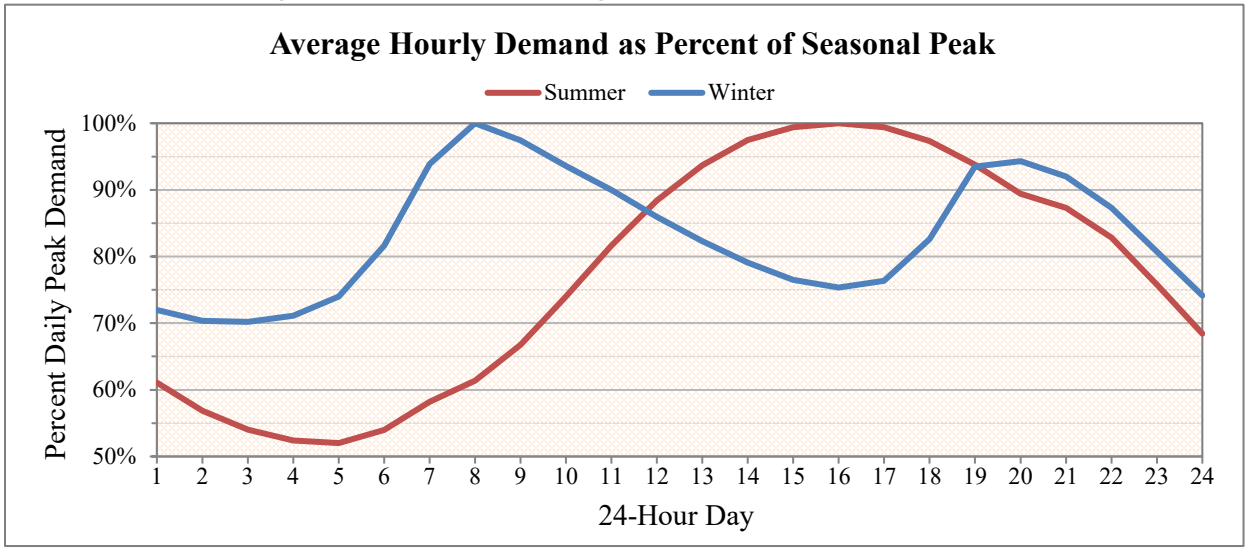
Table 2
Florida's Electric Customers by Class and Consumption (2023)

Customer Class	Number of Customers	Percent of Customers	Energy Sales (GWh)	Percent of Sales
Residential	10,310,877	87.8%	135,722	54.7%
Commercial	1,234,317	10.5%	88,558	35.7%
Industrial	29,227	.02%	20,309	8.2%
Other*	166,878	1.4%	6,536	2.6%
Total	**11,741,299**	**100.0%**	**251,125**	**100.0%**

*Street and highway lighting, sales to public authorities, and interdepartmental sales.
Source: FPSC's *Statistics of the Florida Electric Utility Industry* (Tables 26 and 33), published October 2024.

Figure 1 shows the daily electric load curves for typical Florida summer and winter day. In the summer, air conditioning demand starts to increase in the morning and peaks in the early evening; a pattern which aligns with the sun's heating of buildings. In comparison, the winter load curve has two peaks—the largest in mid-morning, followed by a smaller peak in the late evening—which correspond to heating loads.

Figure 1
Typical Florida Daily Electric Load Shapes



Source: FPSC's *Review of 2023 Ten-Year Site Plans of Florida's Electric Utilities* published November 2024.

[10]National data as reported for 2023 by the U.S. Energy Information Administration in the annual *Electric Sales, Revenue, and Average Price (ESR)* report (Table 2): https:/www.eia.gov/electricity/sales_revenue_price/

Residential load patterns shift rapidly and have high peak-to-trough variation. In contrast, commercial or industrial loads demonstrate more consistency throughout the 24-hour day and experience fewer spikes in demand.

Utilities dispatch additional generating capacity throughout the day in order to follow the customer load patterns. Peaking generating units, which are dispatched during high demand periods of the day, are less fuel-efficient than baseload or intermediate generating units. Utility DSM programs play a role in reducing energy usage and shifting peak demand, thus reducing the need to dispatch fuel-inefficient generating units.[11] Over time, the need for additional generating capacity has increased in Florida, largely due to population growth. In addition to providing fuel savings at existing generating units, utility-sponsored DSM programs and individual consumer conservation efforts can avoid or defer the need for new electric generating capacity.

Utility-sponsored DSM programs are funded by all ratepayers. Therefore, in order to meet FEECA requirements, the Commission and utilities must ensure that the DSM programs created to reap the benefits of reduced fuel usage and deferred generating capacity are cost-effective, i.e. less costly than generation. The Commission's methodologies to determine the cost-effectiveness of demand-side management programs are explained in detail in Section 2.1.

Since its enactment, implementation of FEECA has been successful in reducing the growth rate of weather-sensitive electric peak demands, and in conserving expensive resources. These savings have avoided or deferred the need for new generating capacity and offset the use of existing generating units, resulting in savings of fuel, as well as variable operations and maintenance (O&M) costs. During 2023, FEECA utility DSM programs continued contributing to the reduction of statewide energy needs and deferred the need for new generating capacity. Table 3 details statewide cumulative savings for summer peak demand, winter peak demand, and overall energy consumption through 2023, as reported in the Florida Reliability Coordinating Council's (FRCC) 2024 Regional Load & Resource Plan.[12] In 2023, the FEECA DSM programs contributed annual energy savings of 222.5 GWh, which is enough electricity to power approximately 16,749 homes for a year.[13]

[11]Electric generating units are typically categorized as baseload, intermediate, or peaking. Aside from planned and forced outages, baseload units are scheduled to operate continuously. Intermediate units generate power to follow load for periods of time, but are not planned to operate nonstop. Peaking units supplement baseload and intermediate power, operating during high-demand, or peak periods.

[12]The cumulative MW savings for summer peak demand and winter peak demand shown in Table 3 reflect the maximum capability of demand response programs.

[13]This estimate is based on an average annual household energy use of 13,285 kWh for Florida in 2023 as reported by the U.S. Energy Information Administration in the annual *Electric Sales, Revenue, and Average Price (ESR)* report (Table 5.a): https:/www.eia.gov/electricity/sales_revenue_price/

Table 3
Statewide Cumulative Demand and Energy Savings (1980-2023)

Type	Achieved Reduction
Summer Peak Demand	8,015 MW
Winter Peak Demand	7,384 MW
Annual Energy Reduction	10,945 GWh

Source: Florida Reliability Coordinating Council's *2024 Regional Load & Resource Plan* (S-3, S-4, S-5).

In 2023, the electric FEECA utilities offered 103 programs for residential, commercial, and industrial customers (see Appendices A and B). Programs focus on either reducing energy use at a given moment, which shifts/reduces demand, or toward reducing overall energy consumption over a period of time. Utility-sponsored DSM programs are an important means of achieving demand and energy savings and these programs are designed to encourage customer conservation efforts.

Additionally, residential energy audits, required by Section 366.82(11), F.S., serve as an avenue to identify and evaluate conservation opportunities for customers, including their potential participation in utility-sponsored DSM and conservation programs. Energy audits also educate customers about behavioral changes and energy efficiency investments they can make outside of utility-sponsored DSM programs. During 2023, FEECA electric utilities performed 240,742 residential audits. Though FEECA does not require commercial energy audits, FEECA electric utilities also performed 6,872 commercial energy audits in 2023. Additional information about these results is presented in Section 3.

1.3 Recovery of Conservation Expenditures

The IOUs are allowed by Commission Rule 25-17.015, F.A.C., to recover reasonable expenses for DSM programs through the ECCR clause. Such expenses may include administrative costs, equipment, and incentive payments. Before petitioning the Commission to recover costs through the ECCR clause, a utility must provide data on DSM program cost-effectiveness. Utilities must have Commission approval for any new programs or program modifications prior to seeking cost recovery.

Commission Rule 25-17.015, F.A.C., also permits natural gas LDCs to seek recovery for costs related to Commission-approved conservation programs. While PGS is the only natural gas utility subject to FEECA, the other Florida LDCs offer Commission-approved DSM programs without a specific therm savings goal. Natural gas conservation programs have historically focused on providing rebates to residential customers that support the replacement of less efficient appliances with new, energy-efficient gas appliances. However, several LDCs have expanded their rebate programs to commercial customers.[14]

On an annual basis, the Commission conducts financial audits of DSM program expenses that are included in the electric IOUs' and LDCs' cost recovery requests. A full evidentiary hearing is

[14]Order No. PSC-14-0039-PAA-EG, issued January 14, 2014, in Docket No. 130167-EG, *In re: Petition for approval of natural gas energy conservation programs for commercial customers, by Associated Gas Distributors of Florida.*

held to determine the cost recovery factors to be applied to customer bills in the following year. The Commission-approved 2025 conservation cost recovery factors are discussed further in Section 4.

Section 2. DSM Goalsetting

2.1 DSM Program Cost-Effectiveness and Energy Savings

Section 366.81, F.S., emphasizes that it is critical to utilize cost-effective conservation. This statutory provision is codified in Rule 25-17.008, F.A.C., for electric utilities and Rule 25-17.009, F.A.C., for natural gas LDCs. The rules identify the cost-effectiveness methodologies to be used and require that utilities provide cost and benefit information to the Commission when requesting to add a program or make changes or additions to an existing program.

The Commission requires that electric utilities measure cost-effectiveness from three perspectives, the program participant, the utility's ratepayers, and society's overall cost for energy services. The Participants test, the Rate Impact Measure (RIM) test, and the Total Resource Cost (TRC) test capture these viewpoints. The electric FEECA utilities are required to provide the results of all three tests when seeking to add a new program or make changes to an existing program.

Similarly, Rule 25-17.009, F.A.C., requires natural gas LDCs to provide the results of the Participants test and Gas Rate Impact Measure Test (GRIM). The GRIM test is a modified version of the RIM test, specific to gas utilities. Natural gas LDCs are also required to provide the results of these tests when seeking to add a new program or modify an existing program.

Table 4 summarizes the costs and benefits considered in the three Commission-approved electric cost-effectiveness methodologies for electric utilities.

Table 4
Summary of Electric Cost-Effectiveness Methodologies

	Participants	RIM	TRC
Benefits			
Bill Reduction	X		
Incentives Received	X		
Avoided Generation (Capital and O&M)		X	X
Avoided Transmission (Capital and O&M)		X	X
Fuel savings		X	X
Costs			
Program Costs		X	X
Incentives Paid		X	
Lost Revenues		X	
Participant's Costs (Capital and O&M)	X		X

Participants Test

The Participants test analyzes costs and benefits from a program participant's point of view, rather than the impact on the utility and other ratepayers not participating in the program. The Participants test includes the up-front costs customers pay for equipment and costs to maintain

this equipment. Benefits considered in the test include the incentives paid by utilities to the customers and the reduction in customer bills. Failure to demonstrate cost-effectiveness under this test would infer that rational customers would not elect to participate in this program.

Rate Impact Measure (RIM) Test

The RIM test is designed to ensure that all ratepayers, not just the program's participants, will benefit from a proposed DSM program. The RIM test includes the costs associated with incentive payments to participating customers and decreased revenues to the utility. DSM programs can reduce utility revenues due to reduced kilowatt-hour (kWh) sales and reduced demand. The decreased utility revenues typically are recovered from the general body of ratepayers at the time of a rate case. A DSM program that passes the RIM test ensures that all customer rates are the same or lower than rates would be without the DSM program.

Total Resource Cost (TRC) Test

The TRC test measures the overall economic efficiency of a DSM program from a social perspective. This test measures the net costs of a DSM program based on its total costs, including both the participants' and the utility's costs. Unlike the RIM test, customer incentives and decreased utility revenues are not included as costs in the TRC test. Instead, these factors are treated as transfer payments among ratepayers. Moreover, if appropriate, certain external costs and benefits such as environmental impacts may be taken into account. Because incentives and foregone revenues are not treated as "costs," electric rates for all customers tend to be higher for programs implemented solely using the TRC test to judge cost-effectiveness.

Ensuring Cost-Effectiveness

Ensuring utility-sponsored DSM programs remain cost-effective benefits the general body of electric ratepayers. These programs can reduce costs to ratepayers by postponing capital expenditures such as future power plant construction, and reducing current electrical generation costs, including fuel and variable O&M costs. DSM programs can also benefit customers by improving reliability.

When an IOU determines that a DSM program is no longer cost-effective, the utility should petition the Commission for modification or discontinuation of the program. In many instances, programs may need to be modified due to the adoption of a more stringent appliance efficiency standard or building code. In contrast, if new efficiency measures become available that are cost-effective, the utility may petition the Commission for approval of a new program.

2019 and 2024 Electric DSM Goalsetting Proceedings

Pursuant to Sections 366.82(2) and 366.82(6), F.S., the electric FEECA utilities filed proposed goals for the 2020 through 2029 period in April 2019. In that proceeding, the utilities' proposed goals were lower overall than those established in the 2014 goalsetting proceeding, with some utilities proposing goals of zero or near-zero for the 10-year period. A technical hearing on the proposed goals was held on August 12 and 13, 2019. The Commission heard testimony on cost-effectiveness tests, whether a goal of zero fulfilled statutory requirements, how to account for free ridership, and how to ensure low-income customers are able to effectively participate in DSM programs.

By issuing Order No. PSC-2019-0509-FOF-EG[15] on November 26, 2019, the Commission rejected the goals proposed by the electric FEECA utilities and chose to continue with the 2020-2024 portion of the goals established in the 2014 goalsetting proceeding.[16] While the goalsetting process produces annual goals, the cumulative goals for the entire 10-year period are shown in Table 5 for illustrative purposes.

Table 5
Cumulative Commission-Approved Electric DSM Goals (2015-2024)

Electric Utility	Summer Demand Goals (MW)	Winter Demand Goals (MW)	Annual Energy Goals (GWh)
FPL	526.1	324.2	526.3
DEF	259.1	419.3	195.0
TECO	56.3	78.3	144.3
Gulf	68.1	36.7	84.2
FPUC	1.3	0.4	2.0
OUC	5.0	8.4	13.0
JEA	10.8	9.7	25.8
Total	**926.7**	**877.0**	**990.6**

Source: Order No. PSC-14-0696-FOF-EU.

In that proceeding, the Commission also expressed a desire to review the goalsetting process for potential revisions that could be implemented before the next goalsetting proceeding (2024). In July 2020, a docket was established to consider proposed amendments to Rule 25-17.0021, F.A.C.[17] On May 17, 2023, a rule certification packet was forwarded to the Administrative Code and Register Section of the Florida Department of State. The Commission rule, Rule 25-17.0021, F.A.C, provides the electric FEECA utilities with direction as to what to file in order for the Commission to evaluate DSM goals and programs. Rule 25-17.0021, F.A.C., provides that: (1) utilities should make goals based upon projected savings from potential programs offered to customers rather than upon aggregated savings from individual conservation measures; and (2) requires utilities to provide projected savings or goals developed under two cost-effectiveness scenarios in order to provide a more robust record of evidence. Specifically, the rule brings into the goal-setting phase a greater focus on potential conservation programs that could be offered to customers in order to reach a utility's approved goals.[18]

As part of its review of goals in 2019, the Commission recognized that Rule 25-6.065, F.A.C., (Customer-Owned Renewable Generation Rule) is an effective means of encouraging the development of demand-side renewable energy systems. Figure 2 shows the growth in the

[15]Order No. PSC-2019-0509-FOF-EG, issued November 26, 2019, in Docket Nos. 20190015-EG through 20190021-EG, *In re: Commission review of numeric conservation goals.*

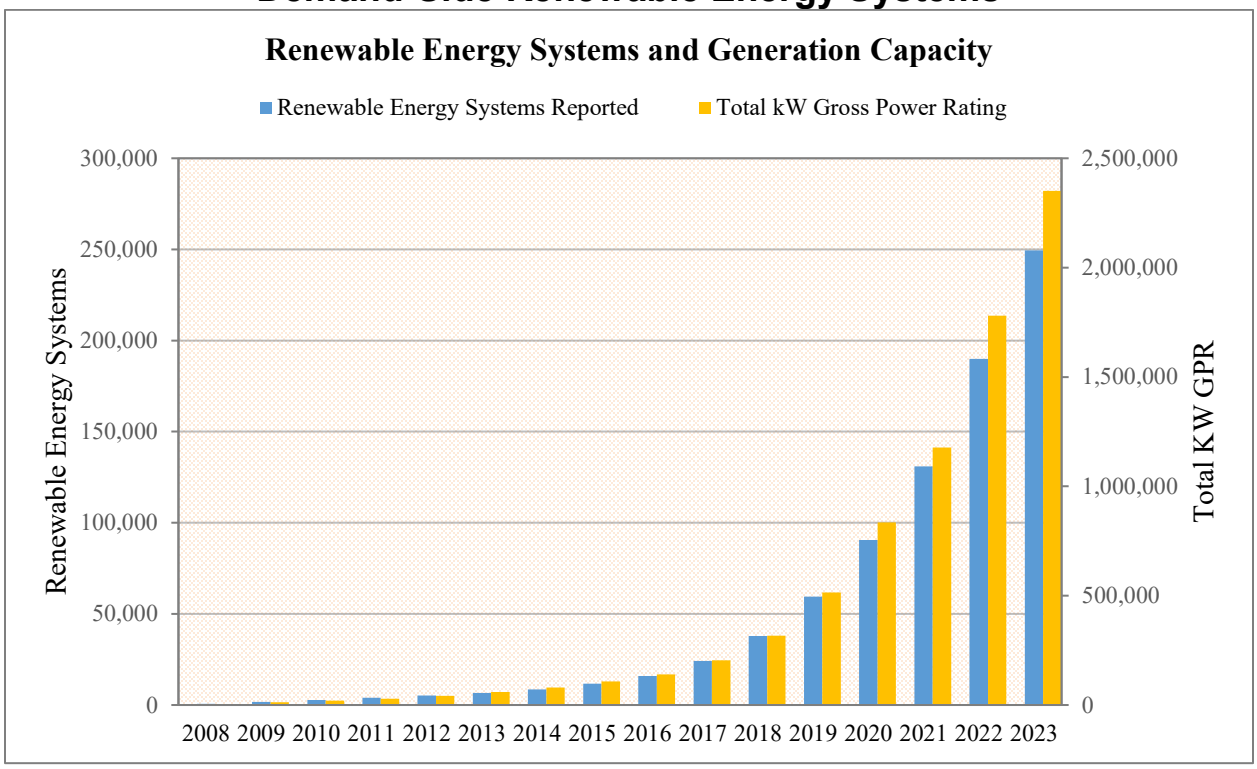
[16] The goals established in 2014, and continued with the Commission's decision in the 2019 goalsetting proceeding, were based upon estimated energy and demand savings from measures that passed under a single cost effectiveness scenario, based upon the RIM and Participants cost-effectiveness tests.

[17]See Docket No. 20200181-EU, Proposed amendment of Rule 25-17.0021, F.A.C., Goals for Electric Utilities.

[18]Order No. PSC-2023-0165-FOF-EU, Notice of Adoption of Rule, issued May 18, 2023, in Docket No. 20200181-EU, *In re: Proposed amendment of Rule 25-17.0021, F.A.C., Goals for Electric Utilities.*

number of customer-owned renewable energy systems in Florida, as well as the growth in gross power ratings (i.e., generating capacity) since the Commission revised its net-metering rule in 2008. In 2023, the total number of renewable energy systems reported was 249,521, with a total gross power rating of 2,351,333 kilowatts.

Figure 2
Demand-Side Renewable Energy Systems



Source: Data compiled from Net Metering Summary Spreadsheet (Net Metering Reports) provided to the Commission from IOU, municipal, and rural electric cooperative electric companies, 2008-2023.

In January 2024, dockets were opened for the 2024 DSM goalsetting proceeding, dockets to establish goals for the 2025 through 2034 time period.[19] In September 2024, the Commission approved the numeric conservation goals to be applicable beginning in 2025 for DEF, TECO, FPUC, JEA, and OUC.[20] In December 2024, the Commission approved the numeric conservation goals for FPL.[21]

[19]See Docket Nos. 20240012-EG through 20240017-EG, Commission review of numeric conservation goals (for FPL, DEF, TECO, FPUC, JEA, and OUC).

[20]See Order No. PSC-2024-0429-FOF-EG, issued September 20, 2024, in Docket No. 20240013-EG, *In re: Commission review of numeric conservation goals (Duke Energy Florida, LLC)*; Order No. PSC-2024-0430-FOF-EG; issued September 20, 2024, in Docket No. 20240014-EG, *In re: Commission review of numeric conservation goals (Tampa Electric Company);* Order No. PSC-2024-0431-FOF-EG; issued September 20, 2024, in Docket No. 20240015-EG, *In re: Commission review of numeric conservation goals (Florida Public Utilities Company);* Order No. PSC-2024-0432-FOF-EG, issued September 20, 2024, in Docket No. 20240016-EG, *In re: Commission review of numeric conservation goals (JEA)*; and Order No. PSC-2024-0433-FOF-EG, issued September 20, 2024, in Docket No. 20240017-EG, *In re: Approving numeric conservation goals (Orlando Utilities Commission).*

[21]See Order No. PSC-2024-0XXX-FOF-EG, issued December XX, 2024, in Docket No. 20240012-EG, *In re: Commission review of numeric conservation goals (Florida Power & Light Company).*

2.2 Goalsetting Proceedings for Peoples Gas

PGS is the only natural gas utility that meets the therm sales threshold for establishing conservation goals under FEECA.[22] In October 2018, PGS filed a petition for approval of numeric therm reduction goals for the 2019-2028 period. PGS estimated its goals based upon its current Commission-approved DSM programs. Because PGS had existing programs already in place, there is expected to be no additional cost to its customers, aside from the costs of the new audit programs. PGS utilized the Participants and GRIM tests to calculate its goals.[23] The Commission approved the goals for PGS in Order No. PSC-2019-0361-PAA-GU, issued on August 26, 2019. Table 6 shows the 10-year therm-savings goals for PGS over the 2019 through 2028 period.[24]

Table 6
Commission-Approved DSM Goals for PGS (2019-2028)

Cumulative Savings (Therms)		
Residential	**Small Commercial**	**Combined**
3,749,583	2,426,634	6,176,217

Source: Order No. PSC-2019-0361-PAA-GU.

In accordance with this timing of goalsetting for the FEECA electric utilities, a docket was established in 2024 to establish therm reduction conservation goals for the 2025 through 2034 period.[25] In the 2024 goalsetting proceeding, PGS estimated its goals for the 2025 through 2034 period based upon the same Commission-approved DSM programs that were approved in the 2019 goalsetting proceeding. PGS utilized the Participants and GRIM tests to calculate its goals.[26] The Commission approved the 2025-2034 goals for PGS in Order No. PSC-2024-0280-PAA-GU, issued on July 30, 2024.[27]

2.3 Impact of Outside Factors on FEECA Utility DSM Programs

Conservation in Florida is prompted by customer actions to conserve energy, federal appliance efficiency standards, state building codes, and utility-sponsored DSM programs. Customers can save energy and reduce their bills through behavioral changes and by investing in energy efficient homes, appliances, and equipment. Federal appliance efficiency standards have become more stringent over time, thus increasing the baseline energy efficiency of new appliances and

[22]Section 366.82, F.S., provides that a natural gas utility is subject to FEECA requirements if a utility's annual retail sales volume is equal to or greater than 100 million therms.
[23]Rule 25-17.009, F.A.C., requires natural gas utilities that seek to recover costs for conservation programs to file the cost-effectiveness test results of the Participants test and the GRIM test.
[24]Order No. PSC-2019-0361-PAA-GU, issued August 26, 2019, in Docket No. 20180186-GU, *In re: Petition for approval of demand side management goals and residential customer assisted and commercial walk-through energy audit programs, by Peoples Gas System.*
[25]See Docket No. 20240018-EG, Commission review of numeric conservation goals (Peoples Gas System). For the FEECA electric utilities, Rule 25-17.0021(1), F.A.C., sets forth that the Commission will initiate a proceeding at least once every five years to establish goals over a ten-year period.
[26]Rule 25-17.009, F.A.C., requires natural gas utilities that seek to recover costs for conservation programs to file the cost-effectiveness test results of the Participants test and the GRIM test.
[27]Order No. PSC-2024-0280-PAA-GU, issued July 30, 2024, in Docket No. 20240018-EG, *In re: Commission review of numeric conservation goals (Peoples Gas System.)*

heating and air conditioning equipment available to Florida's consumers. Likewise, changes in the Florida State Building Code (FLBC) have resulted in more energy efficient homes.

Utilities design DSM programs to encourage conservation that exceeds levels achievable through current building codes and minimum efficiency standards. However, the cost-effectiveness of some DSM measures has declined due to several factors outside of the FEECA utilities' control. More stringent state and federal efficiency standards, building codes, and customer actions to implement efficiency outside of utility programs, reduce the potential incremental demand and energy savings available from utility-sponsored DSM programs.

Federal efficiency standards and state building codes establish a baseline in assessing the cost-effectiveness of a potential DSM program. Florida utility DSM programs offer rebates and incentives for appliances that exceed federally established minimum efficiency standards. However, increases in federal efficiency standards, independent conservation efforts by consumers, and general conservation practices make it more challenging for utilities to attract voluntary participants in order achieve demand and energy savings through DSM programs. Electric rates are also a contributing factor in customers' decisions to enroll or not enroll in DSM programs, or invest in more efficient appliances. Increasing electric rates tend to increase customer energy efficient investments, while stable or declining electric rates tend to reduce customer energy efficiency investments. In combination, these factors make it crucial that the FEECA utilities frequently evaluate their conservation program offerings to ensure that they remain cost-effective and attractive to customers. In addition, the FEECA utilities are also expected to engage in research or evaluate the potential for new, cost-effective DSM program opportunities as energy-efficiency technologies develop.

State Building Code

At the state level, the FLBC is amended annually to incorporate interpretations and clarifications as well as to update efficiency standards. The Florida Building Commission updates the FLBC with relevant new standards every three years, most recently in 2023 when the 8th Edition was issued. The 8th Edition (2023) became effective in December 2023, and three Supplements were issued in 2024.[28] While there were several changes in the three supplement documents that pertain to construction standards, no changes were made to Chapter 11, Energy Efficiency. After review of these resources and the current DSM programs, FEECA utilities reported that no program changes were needed as a direct result of the 2023 or 2024 FLBC code updates.

Federal Government Efficiency Standards

At the federal government level, the U.S. Department of Energy's (DOE) Building Technologies Office sets energy efficiency standards for more than 60 categories of appliances and other equipment, including HVAC equipment.[29] Within the Building Technologies Office, the

[28]The 2024 Supplements to the 8th Edition added code language for consistency with changes in laws that became effective August 19, 2024. Details of the Eighth Edition (2023) Florida Building Code and all Supplements to it can be found at https://www.floridabuilding.org/fbc/Links_to_Code_Resources.html.

[29]Pursuant to Section 553.975, F.S., the Commission must report the effectiveness of state energy conservation standards established by Sections 553.951-553.973, F.S. Florida's appliance efficiency standards are mandatory efficiency improvements but have not been updated since 1993, and therefore have likely been superseded by more recent federal efficiency standards.

Appliances and Equipment Standards Program maintains a multi-year rulemaking schedule that establishes minimum energy efficiency standards and test procedures which are the basis for these standards. The products regulated by DOE standards represent about 90 percent of home, 60 percent of commercial building, and 30 percent of industrial energy use.[30] Some of the consumer products regulated by these Conservation Standards and Test Procedures include laundry appliances, dishwashers, microwave ovens, televisions, and several other common household products. In addition to consumer products, there are categories for lighting, plumbing, and commercial/industrial products.[31]

Beginning in 2023, the United States Department of Energy (DOE) updated the standards of residential central air-conditioning and air-source heat pump systems. The new standards require a seasonal energy efficiency ratio (SEER) of no less than 14 for residential systems in the northern part of the United States, and a SEER rating of 15 in the southern part of the United States. Higher SEER ratios indicate more energy-efficient equipment. The DOE also instituted new energy conservation standards for dedicated purpose pool pump (DPPP) motors. The new standard for DPPP motors replaces single-speed motors in favor of variable-speed ones, and DOE estimates this new standard will reduce energy usage by 27.5 percent relative to single-speed motors.[32] In December of 2023, the Department of Energy also adopted new standards for residential refrigerators and freezers, as well as commercial fans and blowers.[33] Overall, the Department of Energy proposed or finalized 30 energy efficient standards in 2023.

Federal standards that change the baseline requirements for a product may have a direct effect on DSM programs. If a DSM program is no longer cost effective as a result of changing federal standards, then the utility should file a petition to modify or discontinue the program. In 2023, many of the FEECA utilities updated their program standards in air conditioning programs to recognize the higher SEER rating, but no petitions were filed to modify or discontinue programs.

[30]Federal Appliance and Equipment Standards Program: https://www.energy.gov/eere/buildings/appliance-and-equipment-standards-program

[31]Federal Conservation Standards and Test Procedures: https://energy.gov/eere/buildings/standards-and-test-procedures

[32]U.S Department of Energy, Energy Conservation Program: Energy Conservation Standards for Dedicated Purpose Pool Motors: https://www.energy.gov/sites/default/files/2023-07/dpppm-ecs-fr_0.pdf

[33]DOE Finalizes Efficiency Standards for Residential Refrigerators and Freezers, Closing Out Remarkable Year of Cost-Saving Progress: https://www.energy.gov/articles/doe-finalizes-efficiency-standards-residential-refrigerators-and-freezers-closing-out

Section 3. FEECA Utilities' Goal Achievements

3.1 Assessing Goal Achievement

Commission rules require separate goals be set for electric residential and commercial/industrial (C/I) classes, assigning context to measuring goal achievement within these two primary customer categories. Each utility's achievements in these categories are also combined and compared against total demand and energy savings goals.

Every FEECA utility must file an annual DSM report pursuant to Rule 25-17.0021, F.A.C., which summarizes demand savings, energy savings, and customer participation rates for each approved program. The report also includes the residential, C/I, and total energy efficiency achievements compared to the approved DSM goals. Each FEECA utility's current (2023) and archived annual DSM reports from prior years can be found on the Commission's website: http://www.psc.state.fl.us/.

Monitoring annual goal achievements enables the Commission to evaluate the effectiveness of each utility's programs. In addition to reviewing the FEECA utilities' annual DSM reports, staff issues discovery requests for additional information from the utilities on their demand and energy saving achievements. Staff's data requests also seek explanations of factors preventing the utilities from achieving projected participation levels. Each FEECA utility's DSM performance in 2023 is discussed below. The utility achievements have been compared to the annual goals established by the Commission in November 2014 and reapplied in November 2019. Table 7 provides a breakdown of each electric utility's goal achievements for the period.

FPL

FPL exceeded 5 of its 9 DSM demand and energy savings goals in 2023. FPL exceeded its summer and winter demand reduction and annual energy reduction goals for the commercial/industrial (C/I) customer class by significant margins (greater than 30 percent). However, the company did not meet any of its residential customer class goals in 2023, and fell short of its residential summer demand goal by a significant margin (approximately 38 percent, or 14 MWs). On a total savings basis across residential and C/I customer classes combined, the utility exceeded its annual energy reduction and winter demand reduction goal, but did not meet its summer demand reduction goal. The company stated that lower than projected participation in its Residential On Call and HVAC programs contributed to its inability to achieve its residential goals. Despite not achieving 4 of its goals in 2023, FPL's overall results improved compared to its performance in 2022, when the utility did not meet 8 of its 9 goals.

DEF

In 2023, DEF exceeded all 9 of its 2023 DSM demand and energy savings goals by significant margins, especially for the commercial sector. For the residential customer class, DEF's 2023 demand and energy savings were higher than the 2022 savings, despite conducting slightly fewer audits in 2023 (36,915) compared to 2022 (37,725). For the C/I customer class, substantially more customers participated in C/I audits in 2023 (479), compared to 2022 (146), which helped the company record greater achievements in all goal categories for this customer class compared to 2022.

TECO

TECO exceeded all 9 of its 2023 DSM demand and energy savings goals by significant margins. In the residential customer class, summer and winter demand reduction savings levels were higher in 2023, compared to 2022. Although the number of residential audits conducted in 2023 (104,284) declined compared to 2022 (114,112), the number of audits in the C/I customer class increased in 2023 (976), compared to the number in 2022 (766). TECO stated that more C/I customer class audits class enhanced the winter demand savings and annual energy savings achievements in 2023 for this customer class.

FPUC

FPUC exceeded 2 of 9 DSM demand and energy savings goals in 2023. The company exceeded its winter demand reduction and annual energy savings goals for the residential customer class, but did not meet any of its remaining goals. FPUC stated that conducting more residential audits in 2023 (154), compared to the number in 2022 (74) enhanced the achievement results for this customer class. For the second consecutive year, FPUC did not achieve any of its C/I demand reduction or energy savings goals. The company states that a limited number of C/I customers in its service territory was a significant factor in not meeting the savings goals for that sector. With no contribution of savings from the C/I customer class, the company did not meet its goals for total demand and energy savings in 2023.

JEA

JEA exceeded its 2023 all individual customer class goals by significant margins; thus, the utility exceeded its total demand and energy savings goals as well.

OUC

OUC exceeded its 2023 all individual customer class goals by significant margins; thus, the utility exceeded its total demand and energy savings goals as well.

Table 7
DSM Goals Compared to Annual 2023 Achievements

Utility	Winter (MW)		Summer (MW)		Annual (GWh)	
	Goals	Achieved Reduction	Goals	Achieved Reduction	Goals	Achieved Reduction
FPL*						
Residential	22.50	**17.58**	36.80	**22.82**	36.30	**33.97**
Commercial/Industrial	17.60	25.52	28.50	40.50	36.30	49.95
Total	40.10	43.10	65.30	**63.32**	72.60	83.92
DEF*						
Residential	22.00	30.00	11.00	19.00	2.00	50.00
Commercial/Industrial	5.00	30.00	6.00	27.00	1.00	10.00
Total	27.00	60.00	17.00	46.00	3.00	60.00
TECO						
Residential	6.80	10.30	2.90	12.50	6.30	29.60
Commercial/Industrial	1.80	7.20	3.50	8.10	9.90	30.30
Total	8.60	17.50	6.40	20.60	16.20	59.90
FPUC*						
Residential	0.036	0.058	0.117	**0.098**	0.078	0.190
Commercial/Industrial	0.027	**0.000**	0.065	**0.000**	0.215	**0.000**
Total	0.063	**0.058**	0.182	**0.098**	0.293	**0.190**
JEA						
Residential	0.960	1.600	0.940	1.840	2.500	3.610
Commercial/Industrial	0.007	0.430	0.140	0.870	0.080	4.550
Total	0.967	2.030	1.080	2.710	2.580	8.160
OUC						
Residential	0.180	0.954	0.190	0.810	0.660	1.856
Commercial/Industrial	0.740	1.556	0.390	1.593	0.820	8.489
Total	0.920	2.510	0.580	2.403	1.480	10.345

*Bold numbers indicate the utility did not meet its annual goals within that category.

Source: 2023 FEECA utility demand-side management annual reports.

PGS

PGS exceeded its residential therm reduction savings goal by 31 percent in 2023, and surpassed its C/I and total goals by significant margins.

Table 8 provides a breakdown of the goal achievements for PGS for the period. Therm-savings goals for PGS were first approved in August 2019. PGS met its 2023 total energy reduction goal and its individual customer class goals.

Table 8
DSM Goals Compared to Annual (2023) Achievements

Utility	Annual Energy Reduction, in Therms	
	Goals	Achieved Reduction
PGS		
Residential	371,562	488,301
Commercial/Industrial	239,661	1,515,462
Total	611,223	2,003,763

*Bold numbers indicate the utility did not meet its annual goals within that category.

Source: 2023 FEECA utility (PGS) demand-side management annual report.

3.2 Information on Audit Programs

Residential energy audits are required by Section 366.82(11), F.S. Energy audits serve as an avenue for utilities to identify and evaluate conservation opportunities for customers. FEECA utilities use energy audits as a gateway to their other DSM programs. For example, some rebate programs require customers to have an energy audit so that the utility can identify existing equipment to determine program eligibility before the customer is eligible to participate. Utilities also use energy audits to educate customers on behavioral changes and energy efficiency investments they can make outside of the utility-sponsored DSM programs.

Rule 25-17.0021, F.A.C., requires that all FEECA utilities offer a Walk-Through Audit, a Building Energy-Efficiency Rating System (BERS) Audit, and a Computer-Assisted Audit to their residential customers. All FEECA electric utilities offer Walk-Through Audits for their commercial customers as well. In addition to the required audits, FEECA utilities also offer online and phone audits which have become increasingly popular with customers. While online and phone audits are not as thorough as Walk-Through Audits, they give customers access to much of the same information on their own time, without the need to schedule appointments with their utility. These audits also typically have lower administrative costs than Walk-Through Audits.

As a part of its goalsetting process, PGS was granted a waiver which exempts the company from the requirement to offer Walk-Through Audits. The Commission allowed PGS to offer an electronic, online-only audit in lieu of on-site audits for residential customers. In April 2020, PGS launched its Residential Customer Assisted Audit program as an online audit program for residential customers. In 2023, a total of 9,576 audits of this type were conducted. In addition, PGS launched its Commercial Walk-Through Energy Audit program in July 2023.

Residential Audits

Table 9 shows FEECA electric utilities performed a total of 240,742 residential audits in 2023, which was about 7,600 fewer residential audits compared to 2022, when 248,398 audits were conducted.[34]

Table 9
Residential Audits by Type (2023)

Utility	In-Person	Virtual		Total
	Walk-Through, BERS, and Computer-Assisted	Online	Phone	
FPL	15,936	57,840	13,274	87,050
DEF	10,033	23,985	2,897	36,915
TECO	4,095	100,189	0	104,284
FPUC	110	44	0	154
JEA	4,349	6,155	0	10,504
OUC	1,835	0	0	1,835
Total	**33,358**	**188,213**	**16,171**	**240,742**

Source: FEECA utilities' 2023 demand-side management annual reports.

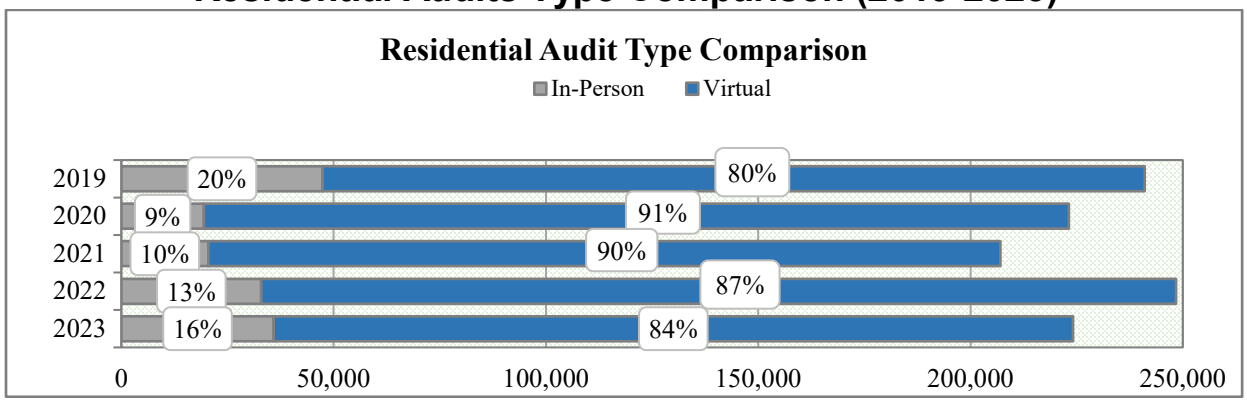
By type, FEECA electric utilities conducted 33,358 in-person audits were conducted in 2023, an increase relative to 2022, when 32,977 audits of this type were conducted. In 2023, the FEECA electric utilities were less restricted than in 2022, when suspensions and restrictions of short-duration were in effect as a result of COVID. The overall number of virtual online audits declined in 2023 (188,213) compared to 2022 (196,852). Only FPL and DEF offered virtual audits via telephone, and, on an overall basis, fewer audits of this type were conducted in 2023 (16,171) compared to 2022 (18,569).

By utility, FPL, FPUC, and OUC reported more audits were conducted on an overall basis in 2023 compared to 2022. FPL reported 87,050 audits were conducted in 2023, up from the number conducted in 2022 (82,631). FPUC and DEF reported more in-person audits, but fewer virtual audits, were conducted in 2023 compared to 2022. FPUC reported that 110 in-person audits were conducted in 2023, an increase compared to 2022 (18). For JEA and OUC, the number of audits by type in 2023 were similar to the results from 2022.

In 2019, before the onset of COVID-related program suspensions, approximately 80 percent of all residential audits were conducted virtually, and the balance were conducted in person. For 2020 through 2022, when periods of audit suspensions were experienced, not only did the overall number of audits decline, but a proportional shift was observed, with virtual audits growing from 80 percent of total audits to a peak of 91 percent (2020), and in-person audits declined from 20 percent of total audits to a low point of 9 percent (2020), as shown in Figure 3 below. Since the low point in 2020, the proportion of in-person audits to total audits has steadily increased through 2023, mimicking pre-pandemic levels.

[34]Walk-Through, BERS, and Computer-Assisted audits all require a utility auditor to physically inspect the customer's premises, and therefore are consolidated for the purposes of Figures 3 and 4. On a percentage basis, the number of residential audits conducted in 2023 reduced by about 3.1% percent, compared with 2022.

Figure 3
Residential Audits Type Comparison (2019-2023)



Source: FEECA utilities' 2019-2023 demand-side management annual reports.

Commercial / Industrial Audits

On an overall basis, Table 10 below shows that the FEECA electric utilities performed 6,872 commercial/industrial energy audits in 2023, compared to 6,931 such audits in 2022. During periods of COVID-era suspensions that began in 2021, FPL, DEF, and TECO offered C/I audits through in-person and virtual means. However, in 2023, only FPL and DEF continued the practice of offering virtual audits. For TECO, JEA, and OUC, all of the audits conducted for this customer class in 2023 were conducted by site visits (shown on Table 10 as in-person audits). While FPUC does not offer a formal audit program for commercial/industrial customers, it did consult with 45 commercial/industrial customers in 2023 to educate them on energy saving opportunities.

Table 10
Commercial / Industrial Audits by Type (2023)

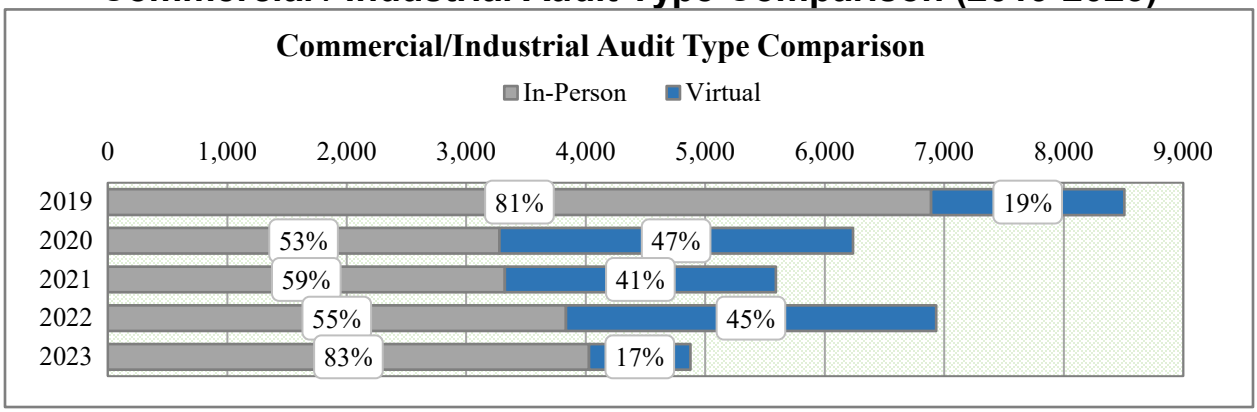
Utility	In-Person	Virtual		Total
	Walk-Through, BERS, and Computer-Assisted	Online	Phone	
FPL	2,225	804	2,079	5,108
DEF	441	0	38	479
TECO	976	0	0	976
FPUC	0	0	0	0
JEA	246	0	0	246
OUC	30	0	0	30
Total	**3,951**	**804**	**2,117**	**6,872**

Source: FEECA utilities' 2024 demand-side management annual reports.

Figure 4 below shows multiple years of data (2019 through 2023) to roughly demonstrate the that the proportion of in-person audits to total audits dropped off in 2020, but has been rebounding since then through 2023, mimicking pre-pandemic levels. In 2019, about 81 percent of all commercial/industrial audits were conducted as on-premises (in-person) audits, with the balance conducted virtually. In the years 2020 through 2022, a pronounced shift to this

proportion was observed, with lower numbers of in-person audits being conducted, in favor of virtual options. The results from 2023 indicate that the proportion of in-person audits from 2023 (about 83% of the total commercial/industrial audits in that period) is back to within two percentage points of the proportion from 2019. Staff observes that even though the proportional split between in-person and virtual audits is near pre-pandemic level, the overall number of audits has trended down since 2019.

Figure 4
Commercial / Industrial Audit Type Comparison (2019-2023)



Source: FEECA utilities' 2019-2023 demand-side management annual reports.

3.3 Low-Income Programs

The 2014 DSM Goals Order[35] states, "When the FEECA utilities file their DSM implementation plans, each plan should address how the utilities will assist and educate their low-income customers, specifically with respect to the measures with a two-year or less payback."[36] In accordance with this Order, electric FEECA utility have implemented measures and/or programs that assist and educate low-income customers. Low-income customer participation in energy conservation programs furthers the intent of FEECA by encouraging potential demand and energy reduction in Florida. Customers that participate in these programs benefit through increased knowledge of conservation opportunities and through rebates on energy saving equipment, resulting in potential bill reduction.

Low-income programs mainly focus on efforts to provide energy efficiency information, weatherization opportunities and the installation of energy efficient measures to residential homes. In many cases, the utilities have established partnerships with government and non-profit agencies. They work together to help identify low-income neighborhoods and educate customers on conservation opportunities through energy audits, bill inserts, presentations, and other measures.

Since 2015, all of the electric FEECA utilities have submitted programs in their DSM plans tailored to offer assistance to qualifying customers. Each FEECA utility's conservation efforts with respect to low-income customers during 2023 are discussed below.

FPL

Through its Low Income Weatherization program, FPL leverages its partnerships with Weatherization Assistance Providers throughout its territory to offer these providers rebates for installation of program measures in qualifying homes.[37] In 2023, FPL enrolled 11,254 customers in its Low-Income Weatherization program, which was 200 more customers than it did in 2022. In part, these additional enrollments were facilitated by utilizing a third-party contractor to install DSM-related equipment.

There are three ways a qualified customer can enroll in FPL's Low Income Weatherization program. First, when a customer in an income qualified zip code initiates contact with the company with a high bill concern or an energy survey request, the customer is encouraged to schedule an in-home energy survey. In a subsequent field service visit, an FPL representative conducts the energy survey and provides, and may install equipment offered under select DSM program measures. Second, FPL representatives target property managers in income-qualified zip codes in order to offer energy saving tips and related information to them, as well as to the customers that reside in their properties in those areas. Finally, FPL advises its customers, via its website, to contact specified Weatherization Assistance Providers for direct assistance. The Weatherization Assistance Providers are responsible for qualifying customers who approach

[35]The 2014 DSM Goals Order references electric utilities only.

[36]Order No. PSC-14-0696-FOF-EU, issued December 16, 2014, in Docket Nos. 20130199-EI through 20130205-EI, *In re: Commission review of numeric conservation goals.*

[37]The Weatherization Assistance Program offered by FPL and other investor-owned electric utilities in Florida is a United States Department of Energy program that is administered at the state and local levels. Resource links are provided at this website: https://www.energy.gov/scep/wap/how-apply-weatherization-assistance

them for direct assistance, and would receive rebates directly from FPL when providing measure to customers.

DEF

In 2023, DEF implemented new practices in offering its Neighborhood Energy Saver (NES) program, a program that serves all customers, including low income customers. By identifying targeted demographic areas within a 15-mile radius, the utility was able to facilitate easier scheduling of appointments for customers, and minimize travel time for its vendor. These efforts resulted in higher participation in 2023 (5,846), compared to the results from 2022, when 4,771 customers enrolled. Preliminary information reflects that DEF is continuing these efforts in 2024 to expand enrollment in this program. Year-to-date data for the NES program (through June 2024) indicates that 2024 enrollments could outpace the results from 2023.

Also in 2023, DEF added the Pinellas County Housing Authority to the list of agencies that participate in offering its Low-Income Neighborhood Weatherization Assistance program. The additional agency offering this program was a factor in the higher number of participant enrollments DEF reported in 2023 (184), compared to 2022 (134). Like NES, the year-to-date data for the Low-Income Neighborhood Weatherization Assistance program (through June 2024) indicates that 2024 enrollments could exceed the results from 2023.

Collectively, over 6,000 households had demand reduction and energy-saving measures installed in 2023 through the NES and Low-Income Neighborhood Weatherization Assistance programs. Although some measures are common to both programs, the measures offered in the NES program provide a higher amount of savings per installation, compared to the values derived from the Low-Income Neighborhood Weatherization Assistance program.

TECO

In 2023, a total of 8,258 customers enrolled in Tampa Electric's Neighborhood Weatherization program, a program that offers an energy efficiency kit to assist low-income residential customers. The energy efficiency kit includes 12 energy savings measures, in addition to ceiling insulation and/or duct sealing depending on the needs of the home. Some of the energy saving measures include: six light emitting diode ("LED") Lamps; installation of up to three low flow faucet aerators; and installation of hot water pipe insulation, if necessary In 2023, approximately 800 customers were enrolled in this program through coordinated efforts between the utility and the Tampa Housing Authority.

Although unrelated to its Neighborhood Weatherization program, TECO continued its work in 2023 to participate in and/or support research initiatives to support low-income communities. The utility continued its participation in the energy equity initiative the American Council for an Energy Efficient Economy organization is conducting. TECO also continued its three year study through the Consortium for Energy Efficiency, which seeks to: (1) characterize and define hard to reach audiences, and (2) ensure the program administrators are equitably serving all their customers. Additionally, TECO continued its role as a sponsor for the Distributed Energy Financial Group's Executive Advisory Panel of Equity in the Clean Energy Economy, which examines the impacts of distributed and renewable energy on the grid, with particular attention

provided to ensure that at-risk customers share the benefits of the transition to a clean energy economy.

FPUC

Although FPUC does not offer a low income program, the company's website, customer contact centers, billboards, and other forms of advertising in its service territories promote its DSM programs to all customers, including low-income customers.

JEA

JEA's Neighborhood Energy Efficiency Program includes free installation of conservation products and provides energy education packets that give income-qualified customers energy-saving ideas and information about JEA's other DSM programs. JEA also promotes the availability of nonprofit community-based utility bill assistance programs, including its Neighbor to Neighbor donation program. These programs are found on the JEA website and amplified through social media and direct email promotions.

In 2023, JEA continued its partnership with multiple government and non-profit agencies that provide direct and indirect financial assistance to customers in its service territory. In addition, JEA developed and presented conservation based educational resources designed to help homeowners understand the biggest users of energy and water inside and outside the home, and how to better manage usage.

OUC

In 2023, OUC continued its Project Care and Efficiency Delivered programs to assist low-income customers in conserving energy and demand. Project Care assists customers in paying their energy bills and implementing energy efficiency measures. OUC donates $2 for every $1 donated to the program. In the income-based Efficiency Delivered program, OUC pays for 85 percent of the costs for energy and water efficiency upgrades up to a cap of $2,500 per installation. Income qualified participants pay the remaining 15 percent over the first 24 months, interest free.

3.4 Investor-Owned Utility Research and Development Programs

In addition to specific DSM programs that provide measurable demand and energy savings, the four electric IOUs conduct conservation research and development initiatives to evaluate emerging DSM opportunities. In these programs, Florida's electric IOUs often partner with universities or established industry research organizations. With the arrival of new electricity-consuming products and new technologies, research and development by Florida's electric IOUs creates opportunities to identify emergent options to conserve electricity. The recent initiatives undertaken by the electric IOUs are discussed below.

FPL

In 2023, FPL focused on three research and development projects: the Smart Panel pilot, a retro-commissioning project, and a low-income project to install and test customer acceptance and usage patterns for energy efficient technologies.

The Smart Panel pilot evaluates the capabilities of smart panels to enable greater energy efficiency in a residential setting. FPL asserts that, to date, 100 smart panels have been installed in customer homes for study, and the pilot is scheduled to continue through 2024. In 2023, FPL continued a retro-commissioning study in the Northwest portion of its service territory. A large, multi-building church was selected for the research study, and in 2023, site assessment work was done as well as work to develop the baseline energy profile. FPL also initiated a deep retrofit pilot for income qualified customers in the Pensacola area. This pilot seeks to understand the impact deep retrofit measures have on customer energy use. FPL selected 25 customers to participate in the pilot. The installation of this pilot was completed in the summer of 2023 and data from this group will be tracked for a 12 month period.

In 2023, FPL also continued its dialogue with the Florida Solar Energy Center (FSEC) and the building science and engineering departments of several Florida universities. FPL continued its participation in Electric Power Research Institute (ERPI) and E-source research initiatives.

DEF

In 2023, DEF completed a research project with the Electric Power Research Institute (EPRI) project that studied the potential of using customer demand response to compensate for variable loads and intermittent renewable generation resources. DEF also completed research on a project studying the relationship between Wi-Fi infrastructure and connected devices.

Additionally, DEF completed a project for a study to evaluate the demand response capability of internet-connected residential batteries. This project focused on the capabilities of a particular aggregator to collect data from two battery manufacturers, the feasibility of utilizing aggregation technology for dispatching demand response event commands, and the net impact of these events on shaping demand. The project is expected to conclude in 2024.

In 2023, DEF continued a project to evaluate the demand response capability of the Ford Lightning Electric Pickup Truck in a Vehicle-to-Grid (V2G) configuration. DEF is testing the system in 4 employee volunteer customer homes. The testing has focused on the impact of charging a vehicle at home at full capability of the Ford Charge Station Pro and the capability of

providing Vehicle-to-Home backup power during outages. Testing of an interconnected operation for demand response will follow.

DEF also continued a research project with the University of Central Florida (UCF) to document the value of long-duration customer-side energy storage systems, and with the University of South Florida (USF) to leverage customer-sited solar PV and energy storage. DEF also continued a pilot to develop software, firmware, and applications for a Smart Home Gateway to evaluate the potential for a future home energy management program and its ability to enhance the Company's future energy efficiency and DR programs. In this pilot, capabilities are being developed and tested to enable appliance demand response using CTA-2045 (EcoPort) local control and also circuit breaker devices that can monitor and respond to changes in demand in real time. The Smart Home Gateway can also potentially be used to engage customer awareness of how energy is being used in the home.

In addition, DEF continued it participation in an EPRI Solar DPV project for data collection to document customer solar resources with a focus on larger PV arrays with and without energy storage.

TECO

In 2023, TECO completed the Light Emitting Diode ("LED") Street and Outdoor Lighting conversion program, which converted the remaining 8,827 street and outdoor lighting luminaries to LED technology.

On an on-going basis, TECO continues to study the Integrated Renewable Energy System ("IRES") Pilot program that was commissioned in 2021. The IRES program's main objectives are to evaluate the ability to maximize the demand side management benefits from the integrated system; to determine the ideal operating parameters that a commercial or industrial customer would operate this kind of system; and to use the installation and its associated operational information as an education platform for commercial and industrial customers seeking information on this type of system. TECO also continued a research project that began in 2016 with the University of South Florida (USF) to evaluate small to mid-size commercial battery storage installations through research and field study with at least one battery being installed at a commercial/industrial customer's facility.

FPUC

FPUC continued work on its Powerhouse Project that began in 2021 and reported that this research study has been extended through 2024. The Powerhouse Project gathers usage data and uses an engineered apparatus to moderate the amount of energy used by reducing the reactive power delivered to the customer. Results from the Powerhouse Project research are being analyzed by the manufacturer of the apparatus, by the utility, and also by the industrial customer operating in the utility's service territory. FPUC did not initiate any new research projects in 2023.

Section 4. Conservation Cost Recovery

Florida's IOUs are allowed to recover reasonable expenses for Commission-approved DSM programs through cost recovery clauses. For electric IOUs, the recovery mechanism is the ECCR clause. For natural gas LDCs, the recovery mechanism is the NGCCR clause. These costs include utility expenses such as administrative costs, equipment, and incentive payments to customers. Before requesting recovery of costs through the ECCR clause, an electric IOU must provide data on DSM program cost-effectiveness. The Commission conducts a financial audit each year prior to approving cost recovery of these expenses.

4.1 Electric IOU Cost Recovery

From 2010 through 2014, annual electric utility expenditures to fund conservation programs grew due to additions and modifications of these programs. However, total annual costs recovered from customers through the ECCR clause after 2014 have declined for most IOUs due to DSM program modifications. In addition, these utilities have reported that 2020 and 2021 COVID-related impacts have resulted in lower levels of customer participation in DSM programs, contributing to the more recent decline in DSM expenditures. Table 11 shows the annual DSM expenditures recovered by Florida's IOUs from 2014-2023.

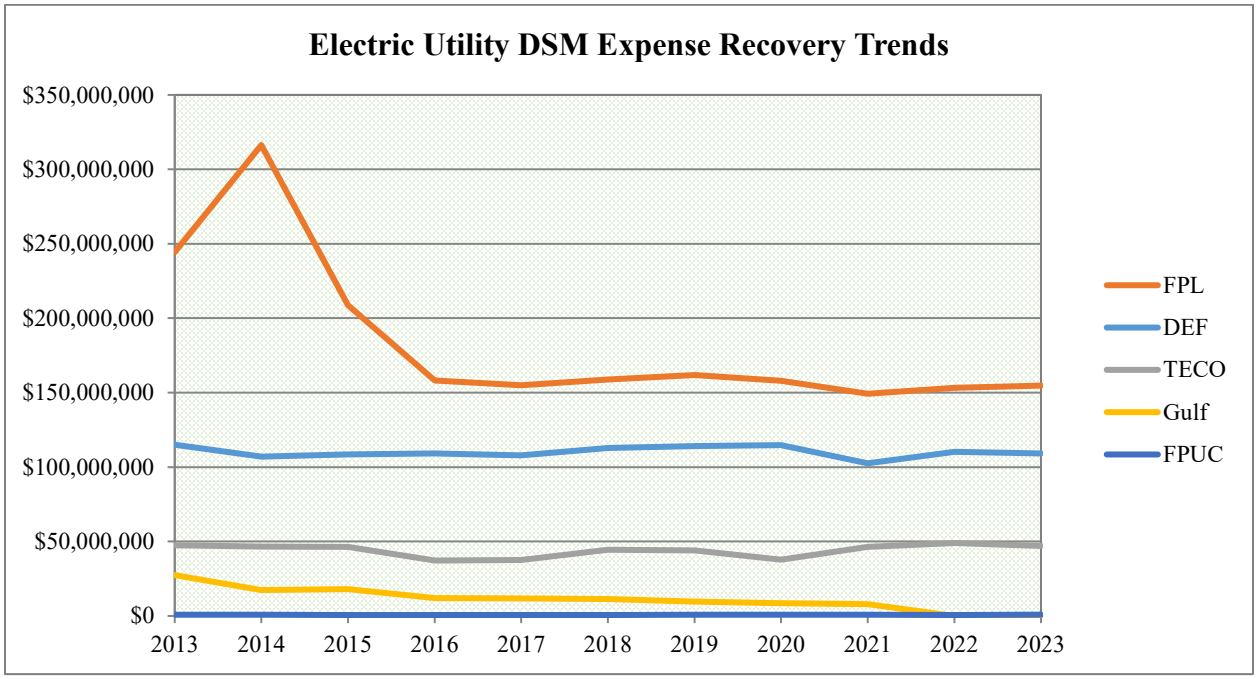
Table 11
DSM Expenditures Recovered by IOUs (2014-2023)

	FPL	DEF	TECO	Gulf	FPUC	Total
2014	$316,311,166	$107,033,335	$46,620,508	$17,412,618	$772,612	$488,150,239
2015	$208,643,788	$108,455,141	$46,516,401	$17,961,885	$718,616	$382,295,831
2016	$158,174,787	$109,155,438	$37,242,148	$11,915,459	$687,590	$317,175,422
2017	$154,916,595	$107,890,962	$37,585,598	$11,854,558	$640,996	$312,888,709
2018	$158,735,829	$112,863,333	$44,558,717	$11,399,250	$656,154	$328,213,283
2019	$161,738,898	$114,084,224	$43,988,528	$9,607,262	$865,843	$330,284,755
2020	$157,892,907	$114,692,900	$37,850,526	$8,637,394	$782,143	$319,855,870
2021	$149,275,934	$102,542,901	$46,328,538	$7,852,934	$751,683	$306,751,990
2022	$153,282,683	$110,172,154	$48,985,457	*	$668,543	$313,108,837
2023	$154,681,984	$109,076,687	$47,028,255	*	$919,544	$311,706,470
Total						**$3,845,651,707**

Source: Docket Nos. 20140002-EG through 20240002-EG, Schedules CT-2 from the IOUs' May testimonies.
*Effective January 1, 2022, FPL and Gulf Power Company (Gulf) operationally merged.

Figure 5 shows trends in annual DSM expenditures for the five electric IOUs from 2014 to 2023.[38]

Figure 5
DSM Expenditures Recovered by Electric IOUs (2014-2023)



Source: Docket Nos. 20140002-EG through 20230002-EG, Schedules CT-2 from the IOUs' May testimony.
*FPL's 2014 recovery included a one-time $56.3 million payment to Solid Waste Authority of Palm Beach County related to a construction project to expand the capacity of an existing waste-to-energy facility. See Docket No. 20110018-EU.

During the annual ECCR clause proceedings, the Commission approves the ECCR factors, by customer class, which each utility will apply to the energy and demand portions of customer bills. These factors are set using each IOU's estimated conservation costs for the next year and reconciliation for any actual conservation cost over- or under-recovery amounts associated with the current and prior years.

In November 2024, the Commission set the ECCR factors for the period January through December 2025. Table 12 illustrates the approved ECCR factors and the monthly bill impact for a residential customer. For illustrative purposes, these factors are applied to a monthly residential bill based on 1,000 kilowatt-hours (kWh) per month energy usage.

[38]Because Figure 5 incorporates the dollar amounts for DSM expenditures between the largest (FPL) and smallest (FPUC) investor-owned electric utilities, the scale for the X-axis (dollars) must accommodate very small and very large data points. As such, the data points in the line graph for FPUC appears as near zero values, although the actual values range between $640,000 and $920,000.

Table 12
Residential Energy Conservation Cost Recovery Factors (2025)

Utility*	ECCR Factor (Cents per kWh)	Monthly Bill Impact (Based on usage of 1,000 kWh per month)
FPL	0.138	$1.38
DEF	0.326	$3.26
TECO	0.294	$2.94
FPUC	0.121	$1.21

Source: Order No. PSC-2024-XXXX-FOF-EG, Docket No. 20240002-EG.
*While JEA and OUC fall under the FEECA Statute, the Commission does not regulate electric rates for municipal utilities.

4.2 Natural Gas Cost Recovery

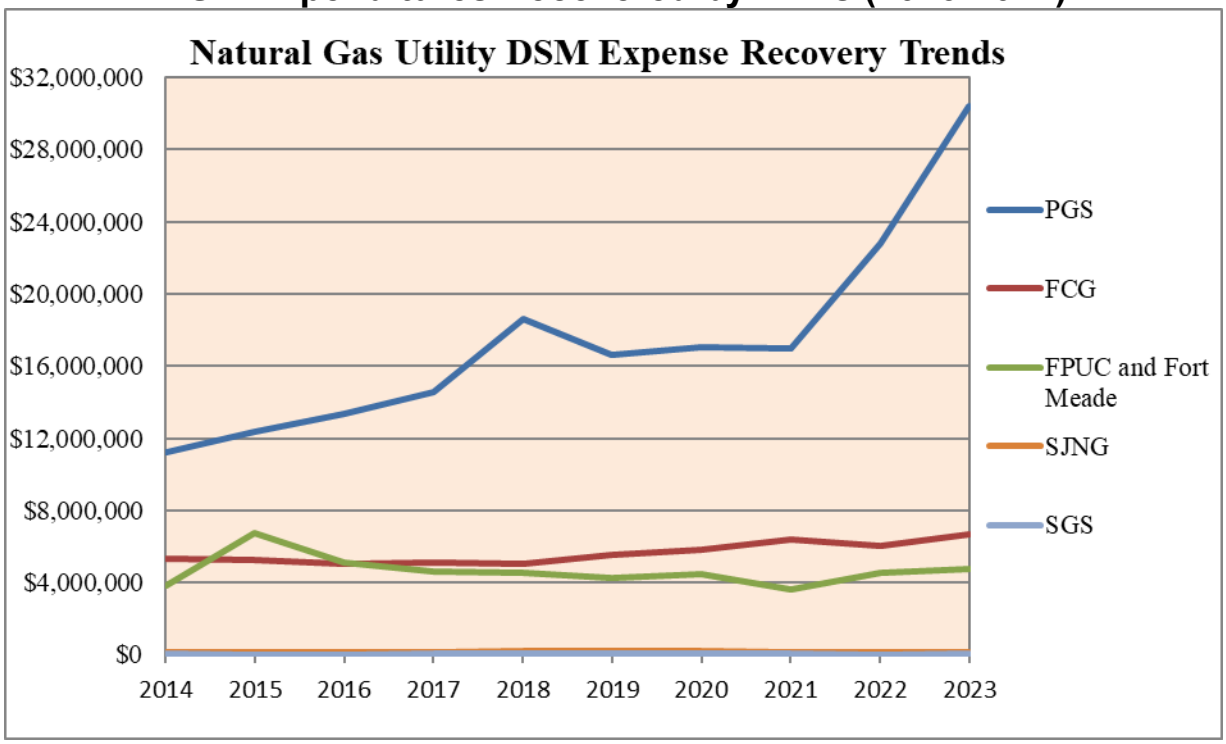
Commission Rule 25-17.015, F.A.C., establishes a mechanism for recovery of reasonable costs attributed to natural gas conservation programs. While Peoples Gas System (PGS) is the only natural gas utility subject to FEECA, the other LDCs [Florida City Gas (FCG), Florida Public Utilities Company (FPUC), St. Joe Natural Gas Company (SJNG), and Sebring Gas System (SGS)] covered in this section offer Commission-approved DSM programs without a specific therm savings goal. As it does for the electric IOUs, the Commission also conducts financial audits of the LDCs' conservation expenditures on a yearly basis and adjusts the LDCs' cost recovery factors to allow for recovery of actual and projected program-related costs. Table 13 shows the amounts each LDC recovered in natural gas conservation program expenditures from 2014-2023.

Table 13
DSM Expenditures Recovered by LDCs (2014-2023)

	PGS	FCG	FPUC Consolidated Companies	SJNG	SGS	Total
2014	$11,229,211	$5,343,191	$3,844,386	$128,000	$58,382	$20,603,170
2015	$12,335,245	$5,240,383	$6,768,175	$123,400	$33,563	$24,500,766
2016	$13,345,716	$5,037,863	$5,098,245	$156,250	$36,801	$23,674,875
2017	$14,543,555	$5,149,573	$4,617,501	$144,900	$42,237	$24,497,766
2018	$18,605,532	$5,067,917	$4,562,021	$190,625	$47,126	$28,473,221
2019	$16,619,336	$5,564,237	$4,252,769	$231,600	$46,184	$26,714,126
2020	$17,031,280	$5,824,651	$4,447,010	$189,625	$52,162	$27,544,728
2021	$16,999,771	$6,421,893	$3,653,829	$179,450	$40,411	$27,295,354
2022	$22,801,408	$6,070,844	$4,573,742	$173,225	$30,841	$33,650,060
2023	$30,425,021	$6,649,986	$4,796,193	$181,225	$45,846	$42,098,271
Total						**$279,052,337**

Figure 6 shows the trends in annual conservation expenditures for all LDCs from 2014 to 2023.[39]

Figure 6
DSM Expenditures Recovered by LDCs (2013-2022)



Source: Docket Nos. 20130004-EG through 20230004-EG, Schedules CT-2 from the LDCs' May testimony.
*Note that since 2014, DSM expenditures for CUC and IGC were consolidated with FPUC-Fort Meade, and reported as FPUC Consolidated Companies.

[39]Because Figure 6 incorporates the dollar amounts for DSM expenditures between the largest (PGS) and smallest (SGS) investor-owned natural gas utilities, the scale for the Y-axis (dollars) must accommodate very small and very large data points. As such, the data points in the line graph for SGS and SJNG appear as near zero values, although the actual values range between $30,000 and $58,000 for SGS and $123,000 and $231,000 for SJNG. The upward-sloping trend line shown for PGS in 2022 and 2023 was due to incentive payments primarily attributable to new construction activity in its service territory.

In November 2024, the Commission set the natural gas LDC conservation cost recovery factors for the 2025 billing cycle. Table 14 provides the LDCs' residential cost recovery factors for 2025 and the impact on a residential customer bill using 20 therms of natural gas per month.

Table 14*
Residential Natural Gas Conservation Cost Recovery Factors in 2025

Utility	Cost Recovery Factor (Cents per Therm)	Monthly Bill Impact (Based on usage of 20 Therms per month)
PGS	17.732	$3.55
FCG (based on stand-alone costs)	32.153	$6.43
FCG (if costs are consolidated with FPUC)	25.141	$5.03
FPUC (based on stand-alone costs)	17.735	$3.55
FPUC (if costs are consolidated with FCG)	23.552	$4.71
SJNG	33.942	$6.79
SGS	13.621	$3.54

Source: Order No. PSC-2024-XXXX-FOF-GU, Docket No. 20240004-GU.

*In November 2024, the Commission will consider the proposal in the Natural Gas Conservation Cost Recovery Clause (DN 20240004-GU) for consolidating the costs of FCG and FPUC. This draft of Table 14 was prepared before that decision was rendered, and therefore includes cost recovery factors to align with either option the Commission can choose from (to establish 2025 cost recovery factors based on consolidated costs, or 2025 cost recovery factors based on stand-alone costs). The final version of Table 14 will only reflect the factors the Commission approved.

Section 5. Educating Florida's Consumers on Conservation

5.1 Commission Consumer Education Outreach

While the Commission has statutory authority to require conservation efforts by regulated utilities, as part of the agency's outreach program, the Commission complements utility efforts with its own conservation-related activities. To effectively reach as many consumers as possible, the Commission's consumer education program uses a variety of platforms to share conservation information, including the Commission website, public events, brochures, press releases and articles, E-Newsletters, YouTube, LinkedIn, and X. Most of the data in this section covers October 2023 through August 2024.

Conservation information is also available through other governmental and utility websites. Section 5.2 lists related websites for state and federal agencies, investor-owned electric utilities, and local gas distribution companies to further assist consumers.

National Consumer Protection Week

National Consumer Protection Week (NCPW), March 3-9, 2024, highlights consumer protection and education. The Commission joins the annual Federal Trade Commission effort to promote energy efficiency and conservation education as a tool to help protect consumers' bottom line. Chairman Mike La Rosa recognized the 26th Annual NCPW by raising awareness to the FPSC's free energy efficiency and water conservation resources to help protect consumers when making choices that affect their bottom line.

For NCPW 2024, the Commission presented information to consumers in Orange and Broward Counties, showing them how to save money through energy and water conservation and how to avoid utility-related scams. A virtual meeting was also held with a senior organization in Orange County. For more than a decade, the FPSC has joined government agencies, advocacy organizations, and private sector groups nationwide to highlight NCPW.

Older Americans Month

Each May, the Commission participates in Older Americans Month, a national project to honor and recognize older Americans for their contributions to families, communities, and society. "Powered by Connection" was the theme for Older Americans Month 2024. The FPSC partnered with community centers in Holmes, Washington, Hillsborough, Orange, Brevard, and Duval Counties to meet with seniors in-person and discuss FPSC information. A virtual meeting was also held with a senior organization in Lee County.

Library Outreach Campaign

Each August, the Commission provides educational packets, including FPSC conservation materials, to Florida public libraries across the state for consumer distribution. In 2024, the Commission's Library Outreach Campaign reached 548 state public libraries and branches. Following the electronic Campaign, many libraries request FPSC brochures throughout the year.

Energy Awareness Month

Each October, the U.S. Department of Energy sponsors National Energy Awareness Month to promote smart energy choices and highlight economic and job growth, environmental protection,

and increased energy independence. In 2023, the FPSC shared weekly conservation tips on X (@floridapsc) during the month, including its Conservation House, Conserve Your World and related outreach information with energy saving tips for consumers.

Community Events

FPSC Commissioners are active in communities around the state and present energy conservation information to students at area schools, to seniors and low-income residents at local community centers, and to county and city businesses at meetings or other events. Through ongoing partnerships with governmental entities, consumer groups, and many other service organizations, the Commission regularly distributes energy and water conservation materials.

The FPSC also actively seeks new community events, venues, and opportunities where conservation materials can be distributed and discussed with consumers. At least two public meetings or events are scheduled each month to provide consumers with the FPSC's conservation information. In-person outreach events resumed during the 2023-2024 reporting period and virtual events also continued.

In-person events where conservation information was shared during October 2023 through August 2024 included:

- Gulf County Senior Citizens Association
- Chaires Community Center Lunch and Learn
- Wakulla County Senior Center Health Fair
- Willie Mae Stokes Community Center
- Bradfordville Community Center Lunch and Learn
- Flagler County Housing Authority
- Gainesville Housing Authority
- L. Claudia Senior Center
- Grand Avenue Neighborhood Center
- Renaissance Senior Center at South Econ Park
- Northeast Focal Pointe Senior Center
- Southcentral Southeast Focal Point Senior Center
- The Carl Shechter Southwest Focal Point Community Center
- Miccosukee Community Center Lunch and Learn
- Taylor Senior Citizens Center, Inc.
- Holmes and Washington Counties on Aging Senior Expo
- Brandon Senior Center
- Town and Country Senior Center
- Lutz Senior Center
- East Orange Community Center
- Marks Street Senior Recreation Center
- William Beardall Senior Center
- North Brevard Senior Center
- Martin Andersen Senior Center
- Jacksonville Senior Expo

- Marion Café
- Marion Oaks
- Mid-Florida Community Services, Inc.
- Southside Umatilla Community Center
- Mid-Florida Community Services, Inc. at South Lake Presbyterian Church
- James L. Wyche Senior Center
- Florida Kids and Family Expo

Virtual meetings where conservation information was shared during October 2023 through August 2024 included:

- Cocoa Housing Authority
- Putnam County State Housing Initiatives Program
- Lee County Housing Authority
- Florida Impact, Inc.
- Area Agency on Aging of Palm Beach County/Treasure Coast, Inc.
- Seniors First, Inc.
- Seniors First, Inc., Project Connect
- Area Agency on Aging for Southwest Florida
- My Central Florida Family
- Flagler County Board of County Commissioners
- Buena Vista Apartments – Flagler County

Service Hearings and Customer Meetings

As an ongoing outreach initiative, the Commission supplies conservation brochures to customers at FPSC service hearings and customer meetings across the state. In 2024, several in-person service hearings were held for the customers two large investor-owned electric utilities and for the customers of a central Florida water/wastewater system. For the convenience of utility customers, the FPSC also offers virtual service hearings and customer meetings. In addition to FPSC conservation information, both virtual and in-person participating customers receive a Rate Case Overview that explains the utility's rate change request and includes FPSC website links to consumer information.

Triple E Award

The Commission recognized small businesses for implementing Commission approved, cost-effective conservation programs in 2023 and early 2024. Covering the state's five major geographic areas, the Commission presented its Triple E Award─for Energy Efficiency Efforts─to local businesses that accomplished superior energy efficiency by working with their local utility to help reduce their energy footprint. Triple E Award recipients were recognized with an award plaque, a statewide press release, on X (@floridapsc), and on the FPSC website, www.FloridaPSC.com, under Consumer Information/Consumer Portal.

Website Outreach Resources

There are an assortment of energy conservation brochures, publications, and other free resources to help consumers save energy on the FPSC website. Conservation brochures may be viewed and printed directly from the website, FloridaPSC.com/publications, ordered online, or requested by

mail or phone. During the reporting period, the Commission received more than 87,000 requests for publications, and Consumer Assistance website pages were viewed more than 325,800 times, according to Google Analytics.

Newsletters

The Commission's quarterly Consumer Connection Newsletter (CCN) features current energy and water conservation topics, consumer tips, and general Commission information. Conservation-related information highlighted through video and text during the reporting period include: *FPSC Chairman Speaks at World Forum on Energy Regulation, Tis the Season to Save – Holiday Energy Savings, and How to Spot a Scam*. The CCN is available under Consumer Assistance on the Commission's homepage and distributed to consumers via X (@floridapsc), LinkedIn, or by subscribing to the free newsletter online.

Media Outreach

News releases on major Commission decisions, meetings, and public events are posted to the website and distributed via email and X. The FPSC also issues news releases, or posts videos to X and LinkedIn, urging energy and water conservation during annual outreach programs, such as Energy Awareness Month and NCPW. Water conservation was highlighted in March with a release on Fix a Leak Week, sponsored by the Environmental Protection Agency, and in May for National Drinking Water Week, sponsored by the American Water Works Association. FPSC articles on conservation are also featured in *Aging Outlook*, the biannual digital newspaper from the Florida Department of Elder Affairs.

Youth Education

The Commission supports conservation education for Florida's young consumers. Through the FPSC's student resource guide, Get Wise and Conserve Florida!, children learn about energy and water conservation through engaging puzzles and games. During the reporting period, the resource guide took center stage at the 9th Annual Florida Kids and Family Expo in Orlando, with more than 11,000 attending and visiting the FPSC's booth. The booklet is also promoted to all public libraries through the Library Outreach Campaign and is provided at all Commission outreach events, where it continues to be a favorite.

For Take Your Child to Work Day in April, FPSC activities focused on water, electric, and waste conservation, with the children demonstrating their newly-learned conservation strategies in a video that was shared on X, LinkedIn, and in the Consumer Connection Newsletter.

5.2 Related Websites

State Agencies and Organizations

Florida Public Service Commission – http://www.floridapsc.com/
Florida Department of Environmental Protection – http://www.dep.state.fl.us
The Office of Energy – https://www.fdacs.gov/Divisions-Offices/Energy
Florida Solar Energy Center – https://energyresearch.ucf.edu/
Florida Weatherization Assistance – https://www.benefits.gov/benefit/1847
Florida's Local Weatherization Agencies List - https://floridajobs.org/community-planning-and-development/community-services/weatherization-assistance-program/contact-your-local-weatherization-office-for-help

U.S. Agencies and National Organizations

U.S. ENERGY STAR Program – https://www.energystar.gov/
U.S. Department of Energy – Energy Efficiency and Renewable Energy Information http://www.eere.energy.gov/
National Energy Foundation – https://nef1.org/

Florida's Investor-Owner Utilities Subject to FEECA

Florida Power & Light Company – http://www.fpl.com/
Duke Energy Florida, LLC – http://www.duke-energy.com/
Tampa Electric Company – http://www.tampaelectric.com/
Florida Public Utilities Company – http://www.fpuc.com/
JEA – http://www.jea.com/
Orlando Utilities Commission – http://www.ouc.com/
Peoples Gas System – http://www.peoplesgas.com/

Florida's Investor-Owned Natural Gas Utilities

Florida City Gas – http://www.floridacitygas.com/
Florida Division of Chesapeake Utilities – http://www.chpk.com/companies/chesapeake-utilities/
Florida Public Utilities Company – http://www.fpuc.com/
Florida Public Utilities Company – Ft. Meade Div. – http://www.fpuc.com/
Florida Public Utilities Company – Indiantown Div. – http://www.fpuc.com/
Peoples Gas System – http://www.peoplesgas.com/
Sebring Gas System – http://www.sebringgas.com/
St. Joe Natural Gas Company – http://www.stjoenaturalgas.com/

Appendix A. 2023 FEECA Utility Conservation Programs

Electric IOUs

Florida Power & Light Company	
Residential Programs	Residential Home Energy Survey Residential Load Management (On Call®) Residential Air Conditioning Residential New Construction (BuildSmart®) Residential Ceiling Insulation Residential Low-Income Weatherization
Commercial/Industrial Programs	Business Energy Evaluation (BEE) Business On Call® Commercial/Industrial Demand Reduction (CDR) Commercial/Industrial Load Control (CILC) Business Heating, Ventilating, and Air Conditioning (HVAC) Business Lighting Business Custom Incentive (BCI) Curtailable Load
Other	Conservation Research and Development (CRD) Cogeneration & Small Power Production

Duke Energy Florida, LLC	
Residential Programs	Home Energy Check Residential Incentive Neighborhood Energy Saver Low-Income Weatherization Assistance Residential Load Management
Commercial/Industrial Programs	Business Energy Check Smart $aver Business (f/k/a Better Business) Commercial Energy Management Smart $aver Custom Incentive Interruptible Service Curtailable Service Standby Generation
Other	Technology Development Qualifying Facilities

Tampa Electric Company	
Residential Programs	Residential Energy Audits (4 Programs) Residential Ceiling Insulation Residential Duct Repair Energy Education, Awareness, and Agency Outreach ENERGY STAR for New Multi-Family ENERGY STAR for New Homes ENERGY STAR Pool Pumps ENERGY STAR Thermostats Residential Heating and Cooling Neighborhood Weatherization (Low-Income) Residential Price Responsive Load Management (Energy Planner) Residential Prime Time Plus (Residential Load Management) Residential Window Replacement
Commercial/Industrial Programs	Commercial/Industrial Energy Audits (2 Programs) Commercial Chiller Cogeneration Conservation Value Commercial Cooling Demand Response Facility Energy Management System Industrial Load Management (GSLM 2&3) Street and Outdoor Lighting Conversion Lighting Conditioned Space Lighting Non-Conditioned Space Lighting Occupancy Sensors Commercial Load Management (GSLM 1) Commercial Smart Thermostats Standby Generator Variable Frequency Drive for Compressors Commercial Water Heating
Other	Conservation Research and Development Integrated Renewable Energy System Renewable Energy

Florida Public Utilities Company	
Residential Programs	Residential Energy Survey Residential Heating and Cooling Efficiency Upgrade
Commercial/Industrial Programs	Commercial Energy Consultation Commercial Heating and Cooling Efficiency Upgrade Commercial Chiller Upgrade Commercial Reflective Roof
Other	Conservation Demonstration and Development Low-Income Energy Outreach

Electric Municipal Utilities

JEA	
Residential Programs	Residential Energy Audit Residential Solar Water Heating Neighborhood Efficiency (Low-Income) Residential Efficiency Upgrade Energy Efficient Products MyWay Prepaid Program
Commercial/Industrial Programs	Commercial Energy Audit Commercial Prescriptive Lighting Program Commercial Prescriptive Small Business Direct Install Custom Commercial

Orlando Utilities Commission	
Residential Programs	Home Energy Survey Duct Repair Rebate Ceiling Insulation Rebate High-Performance Windows Rebate Efficient Electric Heat Pump Rebate New Home Rebate Heat Pump Water Heater Rebate Efficiency Delivered (Low-Income)
Commercial/Industrial Programs	Energy Audit Efficient Electric Heat Pump Rebate Duct Repair Rebate Ceiling Insulation Rebate Cool/Reflective Roof Rebate Indoor Lighting Billed Solution Indoor Lighting Rebate Custom Incentive

Natural Gas LDC

Peoples Gas System	
Residential Programs	Residential Customer Assisted Energy Audit Residential New Construction Residential Retrofit Residential Retention
Commercial/Industrial Programs	Commercial Walk-Through Energy Audit Commercial New Construction Commercial Retrofit Commercial Retrofit Combined Heat & Power Commercial Retrofit Electric Replacement Commercial Retention
Other	Conservation Research and Development

Appendix B. 2023 FEECA Utility Conservation Program Descriptions

Electric FEECA IOUs

A. Florida Power & Light Company

Residential Programs

- **Residential Home Energy Survey**
  The Residential Home Energy Survey Program educates customers on energy efficiency and encourages implementation of recommended energy efficiency measures, even if they are not included in FPL's DSM programs. The Residential Home Energy Survey Program is also used to identify potential candidates for other FPL DSM programs. FPL offers in-home, phone-assisted, and online audits for its residential customers.

- **Residential Load Management (On Call)**
  The Residential Load Management Program allows FPL to turn off certain customer-selected appliances using FPL-installed equipment during periods of extreme demand, capacity shortages, or system emergencies.

- **Residential Air Conditioning**
  The Residential Air Conditioning Program encourages customers to install high-efficiency central air conditioning systems.

- **Residential New Construction (BuildSmart®)**
  The Residential New Construction Program encourages builders and developers to design and construct new homes that achieve BuildSmart® certification and move towards ENERGY STAR® qualifications.

- **Residential Ceiling Insulation**
  The Residential Ceiling Insulation Program encourages customers to improve their homes' thermal efficiency.

- **Residential Low-Income Weatherization**
  The Residential Low-Income Weatherization Program assists low-income customers through state Weatherization Assistance Provider (WAP) agencies and FPL-conducted Energy Retrofits.

Commercial/Industrial Programs

- **Business Energy Evaluation (BEE)**
  The Business Energy Evaluation Program educates customers on energy efficiency and encourages implementation of recommended practices and measures, even if these are not

included in FPL's DSM programs. The Business Energy Evaluation is also used to identify potential candidates for other FPL DSM programs. FPL offers the Business Energy Evaluation in on-site or online formats.

- **Business On Call®**
  The Business On Call® Program allows FPL to turn off customers' direct expansion central air-conditioning units using FPL-installed equipment during periods of extreme demand, capacity shortages, or system emergencies.

- **Commercial/Industrial Demand Reduction (CDR)**
  The Commercial/Industrial Demand Reduction Program allows FPL to control customer loads of 200 kW or greater during periods of extreme demand, capacity shortages, or system emergencies. FPL installs a load management device at the customer's facility and provides monthly credits to customers. Unlike the CILC program, the CDR program is still open to new customers.

- **Commercial/Industrial Load Control (CILC)**
  The Commercial/Industrial Load Control Program allows FPL to control customer loads of 200 kW or greater during periods of extreme demand, capacity shortages, or system emergencies. The CILC Program was closed to new participants as of 2000, but is available for existing participants who entered into a CILC agreement as of March 1996.

- **Business Heating, Ventilating, and Air Conditioning (HVAC)**
  The Business HVAC Program encourages customers to install high-efficiency HVAC systems.

- **Business Lighting**
  The Business Lighting Program encourages customers to install high-efficiency lighting systems.

- **Business Custom Incentive (BCI)**
  The Business Custom Incentive Program encourages customers to install unique high-efficiency technologies not covered by other FPL DSM programs.

- **Curtailable Load**
  The Curtailable Load program provides qualifying customers capacity payments for electric load which could be curtailed during certain conditions. This program was closed for new enrollment as of January 1, 2022.

Other Programs

- **Conservation Research and Development (CRD) Project**
  This project consists of research studies designed to: identify new energy efficient technologies; evaluate and quantify their impacts on energy, demand, and customers; and where appropriate and cost-effective, incorporate an emerging technology into a DSM program.

- **Cogeneration & Small Power Production**
  The Cogeneration and Small Power Production Program facilitates the interconnection and administration of contracts for cogenerators and small power producers.

B. Duke Energy Florida, LLC

Residential Programs

- **Home Energy Check**
  The Home Energy Check is a residential energy audit program that provides residential customers with an analysis of their energy consumption and educational information on how to reduce energy usage and save money. The Home Energy Check Program is the foundation for other residential demand-side management programs and offers walkthrough, online, phone-assisted, and Home Energy Rating audits for its residential customers. Participants in the program may receive a residential Energy Efficiency Kit that contains energy-saving measures that can be easily installed and utilized by the customer.

- **Residential Incentive**
  The Residential Incentive Program provides incentives to residential customers for energy efficiency improvements in both existing and new homes. This includes incentives for measures such as duct testing, duct repair, attic insulation, replacement of windows, high-efficiency heat pump replacing resistance heat, high-efficiency heat pump replacing a heat pump, and newly constructed Energy Star homes.

- **Neighborhood Energy Saver**
  The Neighborhood Energy Saver Program installs energy conservation measures, identified through an energy assessment, in the homes of customers in selected neighborhoods where at least 50 percent of households have incomes equal to or less than 200 percent of the poverty level established by the U.S. government.

- **Low-Income Weatherization Assistance Program**
  The Low-Income Weatherization Assistance Program works with the Florida Department of Economic Opportunity and local weatherization providers to deliver energy education, efficiency measures, and incentives to weatherize the homes of income-eligible families. DEF assists by providing energy education materials and financial incentives to weatherize the homes of low-income families.

- **Residential Load Management**
  The Residential Load Management Program is a voluntary program that uses direct control of customer equipment to reduce system demand during winter and summer peak capacity periods by controlling service to select customer appliances.

Commercial/Industrial Programs

- **Business Energy Check**
  The Business Energy Check Program is a commercial energy audit program that provides commercial customers with an analysis of their energy usage and information about energy-saving practices and cost-effective measures that they can implement at their facilities.

- **Smart $aver Business (f/k/a Better Business**
  Smart $aver Business is an umbrella efficiency program that provides incentives to existing C/I and government customers for HVAC, ceiling and roof insulation upgrades, duct leakage and repair, demand-control ventilation, and cool roof coating.

- **Commercial Energy Management**
  The Commercial Energy Management Program uses direct control of customer equipment to reduce system demand during winter and summer peak capacity periods. The Commercial Energy Management Program was closed to new participants in 2000, but is still open for existing participants.

- **Smart $aver Custom Incentive**
  The Smart $aver Custom Incentive Program is designed to encourage C/I customers to make capital investments for energy-efficiency measures which reduce peak demand and provide energy savings. This program provides incentives for projects which are cost-effective but not otherwise addressed through DEF's incentive programs.

- **Interruptible Service**
  Interruptible Service is a direct load control program that allows DEF to reduce system demand by interrupting electrical service during times of capacity shortage during peak or emergency conditions. In return, customers receive a monthly bill credit.

- **Curtailable Service**
  Curtailable Service is an indirect load control program that reduces system demand through customer contracts to curtail all or a portion of their electricity demand at times of capacity shortage during peak or emergency conditions. In contrast to the Interruptible Service Program, the customer is able to control whether their appliances are turned off during times of stress on the grid. In return, customers receive a monthly bill credit.

- **Standby Generation**
  The Standby Generation Program is a demand control program that allows DEF to reduce system demand by dispatching the customer's standby generator. This is a voluntary program available to C/I customers who have on-site generation capability and are willing to reduce demand on DEF's system when requested for system reliability purposes.

Other Programs

- **Technology Development**
  The Technology Development Program allows DEF to investigate technologies that support the development of new demand response and energy-efficiency programs. DEF is investigating hardware and software to manage residential loads, the value of long-duration customer-side energy storage systems, precision temperature measurement and analysis, solar resources, and data and patterns related to charging electric vehicles.

- **Qualifying Facilities Program**
  This program develops standard offer contracts, negotiates, enters into, amends and restructures nonfirm energy, and firm energy and capacity contracts entered into with qualifying cogeneration, small power producers, and renewable facilities.

C. Tampa Electric Company

Residential Programs

- **Residential Energy Audit Programs**
  Tampa Electric offers four Residential Energy Audits Programs, including walk-through free energy audits, customer assisted energy audits, and also computer assisted audits.

- **Residential Ceiling Insulation**
  The Residential Ceiling Insulation Program offers rebates to existing residential customers to install additional ceiling insulation in existing homes.

- **Residential Duct Repair**
  The Residential Duct Repair Program encourages residential customers to repair leaky duct work of central air conditioning systems in existing homes.

- **Energy Education, Awareness, and Agency Outreach**
  The Energy Education, Awareness, and Agency Outreach Program engages and educates groups of customers and students on energy efficiency in an organized setting. Also, participants receive an energy savings kit with energy saving devices and information.

- **ENERGY STAR for New Multi-Family Residences**
  The ENERGY STAR for Multi-Family Residences Program utilizes a rebate to encourage construction of new multi-family residences that meet the requirements to achieve the ENERGY STAR certified apartments and condominiums label.

- **ENERGY STAR for New Homes**
  The ENERGY STAR for New Homes Program incentivizes residential home builders to build homes that qualify for the ENERGY STAR award by achieving energy efficiency levels greater than current Florida building code baseline practices.

- **ENERGY STAR Pool Pumps**
  The ENERGY STAR Pool Pumps Program offers customer rebates for installing high efficiency ENERGY STAR rated pool pumps to help reduce their energy consumption while reducing TECO's weather sensitive peak demand.

- **ENERGY STAR Thermostats**
  The ENERGY STAR Thermostats Program offers customer rebates for installing an ENERGY STAR certified smart thermostat to help reduce their energy consumption while reducing TECO's weather sensitive peak demand.

- **Residential Heating and Cooling**
  The Residential Heating and Cooling Program offers rebates to residential customers for installing high-efficiency heating and cooling equipment in existing homes.

- **Neighborhood Weatherization (Low-Income)**
  The Neighborhood Weatherization Program provides for the installation of energy efficient measures for qualified low-income customers.

- **Residential Price Responsive Load Management (Energy Planner)**
  The Residential Price Responsive Load Management (Energy Planner) Program reduces weather-sensitive loads through an innovative price responsive rate. The price responsive rate encourages residential customers to make behavioral or equipment usage changes by pre-programming HVAC, water heating, and pool pumps.

- **Residential Prime Time Plus (Residential Load Management)**
  The Residential Prime Time Plus (Residential Load Management) is a residential load management program designed to alter the Utility's system load curve by reducing summer and winter demand peaks. Customers participating in Prime Time Plus will receive monthly incentive credits on their electric bill. This program is an enhancement of a retired program with a similar name (Residential Prime Time).

- **Residential Window Replacement**
  The Residential Window Replacement Program offers rebates to existing residential customers to install window upgrades in existing homes.

Commercial Programs

- **Commercial/Industrial Energy Audit Programs**
  Tampa Electric offers two C/I Energy Audits Programs, one free, and the other a more comprehensive audit that a customer pays for.

- **Commercial Chiller**
  The Commercial Chiller Program offers rebates to C/I customers for installing high efficiency chiller equipment.

- **Cogeneration**
  The Cogeneration Program incentivizes large industrial customers with waste heat or fuel resources to use their onsite energy to avoid fuel waste and install electric generating equipment. The large industrial customers may sell their surplus electric generation to TECO.

- **Conservation Value**
  The Conservation Value Program offers rebates to C/I customers to invest in energy conservation measures that are not in other C/I programs.

- **Commercial Cooling**
  The Commercial Cooling Program encourages C/I customers to install high efficiency direct expansion commercial air conditioning cooling equipment.

- **Demand Response**
  The Demand Response Program incentivizes C/I customers to reduce electricity demand at certain peak times.

- **Facility Energy Management System**
  The Facility Energy Management System Program offers customer rebates for installing a facility energy management system that provides real time operational, production and energy consumption information which enables the customer to reduce their energy consumption and demand and reducing TECO's peak demand.

- **Industrial Load Management (GSLM 2&3)**
  The Industrial Load Management Program incentivizes large industrial customers to allow TECO to interrupt part or all of their electrical service during periods of peak grid stress.

- **Street and Outdoor Lighting Conversion**
  The Street and Outdoor Lighting Conversion Program is designed to encourage the conversion from Non-Light Emitting Diode ("LED") street and outdoor lighting luminaires to eligible LED luminaires in a five-year program. The goal of this program is to install energy efficient LED street and outdoor lighting technology to reduce the energy consumption and demand and reducing TECO's peak demand.

- **Lighting Conditioned Space**
  The Lighting Conditioned Space Program encourages C/I customers to invest in more efficient lighting technologies in existing conditioned areas of C/I facilities.

- **Lighting Non-Conditioned Space**
  The Lighting Non-Conditioned Space Program encourages C/I customers to invest in more efficient lighting technologies in existing non-conditioned areas of C/I facilities.

- **Lighting Occupancy Sensors**
  The Lighting Occupancy Sensors Program encourages C/I customers to install occupancy sensors to control C/I lighting systems.

- **Commercial Load Management**
  The Commercial Load Management Program incentivizes C/I customers to allow TECO to control weather-sensitive heating, cooling, and water heating systems to reduce the associated weather-sensitive peak demand.

- **Commercial Smart Thermostats**
  The Commercial Smart Thermostats Program offers customer rebates for installing smart thermostats to help reduce their demand while reducing TECO's weather sensitive peak demand.
- **Standby Generator**
  The Standby Generator Program incentivizes C/I customers to use available emergency electrical generation capacity to reduce weather-sensitive peak demand on the grid.

- **Variable Frequency Drive for Compressors**
  The Variable Frequency Drive for Compressors Program offers customer rebates for installing variable frequency drives to their new or existing refrigerant or air compressor motors to help reduce their demand while reducing TECO's weather sensitive peak demand.

- **Commercial Water Heating**
  The Commercial Water Heating Program encourages C/I customers to install high efficiency water heating systems.

Other Programs

- **Conservation Research and Development**
  The Conservation Research and Development Program allows TECO to explore DSM measures that have insufficient data on cost-effectiveness and the impact on TECO's ratepayers.

- **Integrated Renewable Energy System (Pilot Program)**
  The commercial/industrial Integrated Renewable Energy System is a five-year pilot program to study the capabilities and DSM opportunities of a fully integrated renewable energy system. The integrated renewable energy system will also be used as an education platform for commercial and industrial customers.

- **Renewable Energy**
  The Renewable Energy (Sun to Go) Program delivers renewable energy options to TECO's customers through program administration, renewable electricity generation, evaluation of potential new renewable sources, and market research.

D. Florida Public Utilities Company

Residential Programs

- **Residential Energy Survey**
  In the Residential Energy Survey Program, FPUC offers in-home and online audits which provides the customer with specific whole-house energy efficiency recommendations, a list of blower-door test contractors who can check for duct leakage, and a conservation kit.

- **Residential Heating and Cooling Efficiency Upgrade**
  The Residential Heating and Cooling Upgrade Program incentivizes customers operating inefficient heat pumps and air conditioners to replace them with more efficient units.

Commercial Programs

- **Commercial Energy Consultation**
  In the Commercial Energy Consultation Program, FPUC energy conservation representatives conduct commercial site visits to assess the potential for applicable DSM programs, educate customers about FPUC's commercial DSM programs, conduct a bill review, offer energy savings suggestions, and inform customers about commercial online resources and tools.

- **Commercial Heating and Cooling Efficiency Upgrade**
  The Commercial Heating and Cooling Upgrade Program provides rebates to small commercial customers (customers with a maximum of 5-ton units) if the customers install a high-efficiency central air conditioner or heat pump with a minimum 15 SEER.

- **Commercial Reflective Roof**
  The Commercial Reflective Roof Program provides rebates to non-residential customers and contractors who convert or install a new cool roof on existing facilities or on new building construction. The roofing material must be Energy Star Certified.

- **Commercial Chiller Upgrade**
  The Commercial Chiller Upgrade Program offers commercial customers who replace existing chillers with a more efficient system, an incentive of up to $100 per kW of additional savings above the minimum efficiency levels.

Other Programs

- **Conservation Demonstration and Development**
  The Conservation Demonstration and Development Program researches energy efficiency and conservation projects to identify, develop, demonstrate, and evaluate promising end-use energy efficient technologies across a wide variety of applications. In 2019, FPUC installed two battery storage systems to improve customer electric system reliability and resiliency, and has extended this study with completion expected in 2021.

- **Low-Income Energy Outreach**
  The Low-Income Energy Outreach Program partners with Department of Economic Opportunity approved Low-Income Weatherization Program operators to offer Residential Energy Surveys, host energy conservation events, and distribute conservation materials.

Electric FEECA Municipal Utilities

A. JEA

Residential Programs

- **Residential Energy Audit**
  In the Residential Energy Audit Program, utility auditors examine homes, educate customers, and makes recommendations on low-cost or no-cost energy-saving practices and measures.

- **Residential Solar Water Heating**
  The Residential Solar Water Heating Program pays a financial incentive to customers to encourage the use of solar water heating technology.

- **Neighborhood Efficiency (Low-Income)**
  The Neighborhood Efficiency Program offers education on the efficient use of energy and water as well as the direct installation of an array of energy and water efficiency measures at no cost to income qualified customers.

- **Residential Efficiency Upgrade**
  The Residential Efficiency Upgrade Program provides incentives to encourage the use of high efficiency HVAC and water heating. This program has not been approved by the Commission and is not part of JEA's FEECA goalsetting process. Nevertheless, JEA maintains that this program creates demand and energy savings.

- **Energy Efficient Products**
  The Energy Efficient Products Program provides incentives to encourage the use of high efficiency lighting and efficient appliances. This program has not been approved by the Commission and is not part of JEA's FEECA goalsetting process. Nevertheless, JEA maintains that this program creates demand and energy savings.

- **MyWay Prepaid Program**
  The MyWay Prepaid Program offers an option for all customers, especially those who prefer to prepay for services versus being billed monthly. It is consumer-focused experience for environmentally conscious consumers who like to keep their consumption in mind. This program has not been approved by the Commission and is not part of JEA's FEECA goalsetting process. Nevertheless, JEA maintains that this program creates demand and energy savings.

Commercial Programs

- **Commercial Energy Audit**
  In the Commercial Energy Audit Program, JEA examines businesses, educates customers, and makes recommendations on low-cost or no-cost energy-saving practices.

- **Commercial Prescriptive Lighting Program**
  Commercial Prescriptive Lighting Program pays a financial incentive to customers to encourage the use of high efficiency lighting technology.

- **Commercial Prescriptive**
  The Commercial Prescriptive Program provides incentives to encourage the use of high efficiency HVAC, lighting, cooking, and water heating products. This program has not been approved by the Commission and is not part of JEA's FEECA goalsetting process. Nevertheless, JEA maintains that this program creates demand and energy savings.

- **Small Business Direct Install**
  The Small Business Direct Install Program promotes the use of high efficiency HVAC, lighting, water heating, and appliances in the small business sector. This program has not been approved by the Commission and is not part of JEA's FEECA goalsetting process. Nevertheless, JEA maintains that this program creates demand and energy savings.

- **Custom Commercial**
  The Custom Commercial Program promotes the use of custom efficiency measures based on specific applications for each customer. This program has not been approved by the Commission and is not part of JEA's FEECA goalsetting process. Nevertheless, JEA maintains that this program creates demand and energy savings.

B. Orlando Utilities Commission

Residential Programs

- **Home Energy Survey**
  The home energy walk-through surveys were designed to provide residential customers with recommended energy efficiency measures and practices customers can implement, and to encourage participation in various OUC rebate programs. OUC provides participating customers specific tips on conservation and details on customer rebate programs.

- **Duct Repair Rebate**
  This rebate program is designed to encourage residential customers to repair leaking ducts on existing systems. Qualifying customers must have an existing central air conditioning system, within certain limits and ducts must be sealed with mastic and fabric tape or any other Underwriters Laboratory (UL) approved duct tape.

- **Ceiling Insulation Rebate**
  The Ceiling Insulation Rebate Program is offered to residential customers to encourage the upgrade of attic insulation.

- **High-Performance Windows Rebate**
  The High Performance Windows Rebate Program encourages customers to improve energy efficiency in their homes by purchasing ENERGY STAR® rated energy efficient windows.

- **Efficient Electric Heat Pump Rebate**
  The Efficient Electric Heat Pump Rebate Program provides rebates to customers in existing homes who install heat pumps having a seasonal energy efficiency ratio (SEER) of 15.0 or higher.

- **New Home Rebate**
  The New Home Rebate Program offers rebates for cool/reflective roofs, block wall insulation, ceiling insulation upgrades to R-38, heat pumps, ENERGY STAR washing machines, ENERGY STAR heat pump water heaters, and solar water heaters.

- **Heat Pump Water Heater Rebate**
  The program provides rebates for the heat pumps commonly known as hybrid electric heat pump water heaters for qualifying installations

- **Efficiency Delivered (Low-Income)**
  The Efficiency Delivered Program is income based and provides up to $2,500 of energy and water efficiency upgrades based on the needs of the residential customer's home. An OUC Conservation Specialist visits the home, performs a home survey, and recommends which home improvements have the most potential of lowering utility bills.

Commercial Programs

- **Energy Audit**
  The Energy Audit Program includes a free survey consisting of a physical walk-through inspection of the commercial facility performed by experienced energy experts. The customer receives a written report detailing cost-effective recommendations to make the facility more energy and water efficient.

- **Efficient Electric Heat Pump Rebate**
  The Efficient Electric Heat Pump Rebate Program provides rebates to qualifying customers in existing buildings who install heat pumps having a seasonal energy efficiency ratio (SEER) of 15.0 or higher.

- **Duct Repair Rebate**
  This program for commercial customers provides a rebate to repair leaking ducts on existing systems. Qualifying customers must have an existing central air conditioning system of

within certain limits and ducts must be sealed with mastic and fabric tape or any other UL approved duct tape.

- **Ceiling Insulation Rebate**
  The Ceiling Insulation Rebate Program for commercial customers aims to increase building resistance to heat loss and gain. Participating commercial customers receive a rebate for upgrading their attic insulation up to R-30.

- **Cool/Reflective Roof Rebate**
  The Cool/Reflective Roof Rebate Program for commercial customers aims to lower roof surface temperature while increasing the lifespan of the roof. OUC provides rebates for ENERGY STAR cool/reflective roofing that has an initial solar reflectance greater than or equal to 0.70.

- **Indoor Lighting Billed Solution Program**
  The Indoor Lighting Billed Solution Program assists commercial customers with investments in new lighting technologies. The program is a cash-flow neutral billed solution where the savings pay for the project's cost over the pay-back period or term.

- **Indoor Lighting Rebates Program**
  The Indoor Lighting Rebates Program offers commercial customers that upgrade the efficiency of their indoor lighting a rebate if they meet certain requirements. Participation is open to facilities located within OUC's service area that receive electric service under an OUC commercial rate.

- **Custom Incentive Program**
  Through the Custom Incentive Program, commercial customers receive incentives based on the reduction in peak demand their projects achieve plus the first-year energy savings.

Natural Gas FEECA Utility

A. Peoples Gas System

Residential Programs

- **Residential Customer Assisted Energy Audit**
  The Residential Customer Assisted Audit is designed to save energy by increasing residential customer awareness of natural gas use in personal residences. Recommendations provided to the customer include an estimated range of energy savings including insightful advice on how to manage their overall energy usage. This audit is only available in an online format.

- **Residential New Construction**
  The Residential New Construction Program is designed to save energy for new homeowners by offering incentives to builders and developers who construct new single family and multi-family homes with the installation of energy efficient natural gas appliances.

- **Residential Retrofit**
  The Residential Retrofit Program offers rebates to encourage customers to make cost-effective improvements in existing residences by replacing existing electric appliances with energy efficient natural gas appliances.

- **Residential Retention**
  The Residential Retention Program offers rebates to encourage new and current natural gas customers to make cost-effective improvements in existing residences by replacing existing natural gas appliances with energy efficient natural gas appliances.

Commercial/Industrial Programs

- **Commercial Walk-Through Energy Audit**
  This program is designed to reduce demand and energy consumption of C/I facilities by increasing customer awareness of the energy use in their facilities.

- **Commercial New Construction**
  The Commercial New Construction Program is designed to save energy for new commercial facility owners by offering incentives to commercial customers for the installation of natural gas appliances.

- **Commercial Retrofit**
  The Commercial Retrofit Program is designed to encourage commercial customers to make cost-effective improvements in existing facilities by replacing electric appliances with energy efficient natural gas appliances.

- **Retrofit Combined Heat and Power (CHP)**
  The Retrofit CHP Program is designed to encourage commercial customers to make cost-effective improvements in existing facilities by the installation of an energy efficient on-site natural gas-fired combined heat and power system for the simultaneous production of mechanical and thermal energy.

- **Commercial Electric Replacement**
  The Commercial Electric Replacement Program is designed to encourage commercial customers to make cost-effective improvements in existing facilities by replacing electric resistance appliances with energy efficient natural gas appliances.

- **Commercial Retention**
  The Commercial Retention Program is designed to encourage current natural gas commercial customers to make cost-effective improvements in existing residences by replacing existing natural gas appliances with energy efficient natural gas appliances.

Other Programs

- **Conservation Research and Development (R&D)**
  The Conservation R&D Program is designed to encourage Peoples Gas System and other natural gas LDCs to pursue opportunities for individual and joint research, including testing of technologies to develop new energy conservation programs.

Attachment 3

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: November 8, 2024

TO: Braulio L. Baez, Executive Director

FROM: Office of Industry Development & Market Analysis (Long) CH

RE: Draft of the 2024 Regulatory Assessment Fee Report

CRITICAL INFORMATION: ACTION IS NEEDED - Please place on the November 19, 2024 Internal Affairs. Commission approval of draft report is sought. The 2024 Report is due to the Governor, the President of the Senate, and the Speaker of the House of Representatives, by January 15, 2025.

Pursuant to Section 364.336(3), Florida Statutes, "(b)y January 15, 2012, and annually thereafter, the commission must report to the Governor, the President of the Senate, and the Speaker of the House of Representatives, providing a detailed description of its efforts to reduce the regulatory assessment fee for telecommunications companies, including a detailed description of the regulatory activities that are no longer required; the commensurate reduction in costs associated with this reduction in regulation; the regulatory activities that continue to be required under this chapter; and the costs associated with those regulatory activities."

The draft report includes a staff-written synopsis of what actions the Commission has taken to comply with the statutory requirements. Staff is requesting approval of the draft report.

Attachment

cc: Mark Futrell, Deputy Executive Director, Technical
Apryl Lynn, Deputy Executive Director, Administrative

DRAFT

REPORT ON THE EFFORTS OF THE FLORIDA PUBLIC SERVICE COMMISSION TO REDUCE THE REGULATORY ASSESSMENT FEE FOR TELECOMMUNICATIONS COMPANIES

As of December 2024

Introduction

During the 2011 Legislative Session, House Bill CS/CS/HB 1231, the "Regulatory Reform Act" (Act), was passed and signed into law by the Governor, effective July 1, 2011. Under the Act, the Legislature eliminated most of the Florida Public Service Commission's (FPSC's or Commission's) retail oversight authority for the telecommunications wireline companies, yet maintained the FPSC's authority over wholesale intercarrier issues. The FPSC was required to reduce its regulatory assessment fees (RAFs) charged to wireline telecommunications companies to reflect the concurrent reduction in FPSC workload. Section 364.336(3), Florida Statutes, requires:

> By January 15, 2012, and annually thereafter, the commission must report to the Governor, the President of the Senate, and the Speaker of the House of Representatives, providing a detailed description of its efforts to reduce the regulatory assessment fee for telecommunications companies, including a detailed description of the regulatory activities that are no longer required; the commensurate reduction in costs associated with this reduction in regulation; the regulatory activities that continue to be required under this chapter; and the costs associated with those regulatory activities.

As a result of this Act, the FPSC reduced its RAF rates 20%, from 0.0020 to 0.0016 of companies' gross operating revenues derived from intrastate business. This change became retroactively effective July 1, 2011. Florida telecommunications statutes have remained essentially unchanged since 2011. The FPSC has introduced numerous measures to streamline its telecommunications-related activities since that time, and continues to look for ways to streamline its remaining responsibilities.

Regulatory Activities That Are No Longer Required

The Act eliminated most of the retail regulation of local exchange telecommunications services by the FPSC, including the elimination of rate caps on all retail telecommunications services, elimination of telecommunications-related consumer protection and assistance duties of the FPSC, and elimination of the FPSC's remaining oversight of telecommunications service quality. The Act also reformed the FPSC's certification processes, authority over intercarrier matters, and other general revisions.

Consistent with the reduced authority of the FPSC from the Act, the FPSC ceased the following activities:

- Resolving non-basic retail consumer billing complaints.

- Addressing slamming or cramming complaints from consumers. The FPSC continues to address slamming complaints that are reported by carriers under the Commission's wholesale authority.

- Publishing and distributing materials informing consumers on billing-related matters or informative materials relating to the competitive telecommunications market.

- Designating wireless eligible telecommunications carriers (ETCs) in Florida for the federal universal service fund. Any wireless carrier seeking ETC status in Florida must petition the Federal Communications Commission (FCC) for that authority.

- Performing service evaluations on carriers or investigating and resolving service-related consumer complaints, except as they may relate to Lifeline service, Telephone Relay Service, and payphones.

- Allowing incumbent local exchange carriers (ILECs) to petition for recovery of storm-damage-related costs and expenses.

- Reviewing non-access service tariff filings for content, form, or format. It is the carrier's choice whether to file its rate schedules with the FPSC or publicly publish the schedules elsewhere, such as the companies' websites.

Regulatory Activities That Continue To Be Required

The FPSC regulates 276 telecommunications companies in some way as of October 28, 2024. The Commission continues to retain authority and responsibility in the following areas for telecommunications companies:

- Resolving intercarrier disputes involving interpretations and implementation of sections of the intercarrier agreements.

- Processing arbitrations of intercarrier agreements when the companies cannot negotiate all the terms of the agreement and request the FPSC to resolve issues the companies define.

- Reviewing interconnection agreements filed with the FPSC in accordance with federal requirements.

- Resolving cases involving area code relief, number conservation plans, number resource reclamation, local number portability, and other numbering issues.

- Analyzing information for and producing several statutorily required reports: the *Annual Report on* the *Status of the Telecommunications Access System Act of 1991*, the *Annual Report on Lifeline Assistance*, the *Report on the Efforts of the Florida Public Service Commission to Reduce the Regulatory Assessment Fee for Telecommunications Companies*, and the *Report on the Status of Competition in the Telecommunications Industry.*

- Maintaining oversight of the Florida Telecommunications Relay Service.

- Maintaining oversight of the Lifeline Program and monitoring ETCs.

- Issuing certificates of authority for telecommunications companies to operate in Florida, including evaluating the applicant's technical, financial, and managerial capability to provide service.

- Resolving consumer complaints relating to Lifeline, Relay Service, and payphones.

- Publishing network access tariff information for all incumbent local carriers.

- Publishing other tariff/rate schedule information for any certificated company if the company so decides.

- Publishing and distributing informative materials relating to the Lifeline Program and conducting related consumer outreach.

- Monitoring and/or participating in federal proceedings where the state's consumers may be affected and conveying the FPSC's policy positions.

During the 2021 Legislative Session, Senate Bill CS/SB 1944 was passed and signed into law by the Governor, effective July 1, 2021. The bill created Section 366.94(8), F.S., requiring the FPSC to regulate and enforce rates, charges, terms, and conditions for pole attachments, which were regulated by the FCC at the time. Section 366.02(7), F.S., defines "pole attachment" as "any attachment by a public utility, local exchange carrier, communications services provider, broadband provider, or cable television operator to a pole, duct, conduit, or right-of-way owned or controlled by a pole owner." Pursuant to Section 366.94(8)(e), F.S., the Commission shall hear and resolve complaints concerning rates, charges, terms, conditions, voluntary agreements, or any denial of access relative to pole attachments. Such complaints will likely involve local exchange carriers and other communications services providers. The Commission adopted procedural rules to implement this new authority on June 8, 2022. The Commission subsequently certified to the FCC pursuant to 47 U.S.C. § 224(c)(2) that the Commission now regulates the rates, terms, and conditions of pole attachments in Florida.

Senate Bill CS/SB 1944 also created Section 366.94(9), F.S., requiring the FPSC to regulate the safety, vegetation management, repair, replacement, maintenance, relocation, emergency response, and storm restoration requirements for certain poles owned by communications services providers. The Commission adopted rules to implement this new authority on May 1, 2022. Sections 366.94(8) and (9), F.S., represent an expansion of the FPSC's regulation of telecommunications companies in Florida.

Savings

The FPSC has been pursuing cost savings and efforts to streamline regulatory processes for well over a decade. The origin of these streamlining efforts is not limited to the emergence and evolution of competition in the telecommunications industry. In fiscal year 1999/2000, the FPSC had 401 full time positions. That number was reduced over the years, leading to a total of 272 full time positions for the 2024/2025 fiscal year, a total reduction of 32 percent. Many of these reductions came as a result of projected workload reductions in the telecommunications area.

As previously discussed, effective July 2011, the FPSC reduced the telecommunications RAF rate from 0.0020 to 0.0016 of the gross operating revenues derived from intrastate business. In addition, all local telephone service providers now pay $600 as the minimum fee instead of varying rates based upon the service offered.[1] At the current 0.0016 rate, carriers will pay this minimum fee up to $375,000 in gross intrastate operating revenues. The reduced RAF rate was determined assuming reduced responsibilities, projecting staff hours on continuing telecommunications workload, and projecting telecommunications company revenues. As they have for several years, revenues subject to RAFs from telecommunications companies regulated by the FPSC continued to decline in 2024 as traditional wireline revenues are replaced by unregulated (VoIP/broadband) services.

Efforts to Reduce Costs

As previously stated, the FPSC has a long history of seeking cost savings and streamlining regulatory processes. With specific regard to the implementation of the Act, the FPSC initially undertook three new processes. First was the RAF rate reduction previously discussed. Second, the FPSC assessed the number of staff equivalents required to perform the duties associated with the deregulation measures in the Act. Based upon time sheet information, twelve positions were eliminated effective July 1, 2011. These positions reflected the elimination of service requirements, processing of most telecommunications customer complaints, long distance carrier activities, a reduction in price schedule maintenance, and a reduction in consumer information and outreach.

Third, the FPSC retained the National Regulatory Research Institute (NRRI) in May 2011, to review the FPSC's organization structure and work flow processes to determine if the FPSC should implement any additional changes in the telecommunications area. NRRI reviewed the agency operating procedures, organizational charts, and workload. Key telecommunications staff were interviewed and most telecommunications direct staff were given a survey to complete. NRRI studied the Act and the resulting changes to the FPSC's responsibility. The telecommunications-direct staff of the FPSC was then compared to that of other states with respect to statutory authority and number of technical staff assigned. NRRI concluded that the structure of the FPSC's telecommunications group was appropriate and compared favorably to those in other states.

[1] Previously, the minimum fee ranged from $600 to $1,000, depending on the type of service offered. Payphone operators continue to pay a minimum fee of $100.

NRRI found that the size of the telecommunications group was correct, but made a few suggestions where the FPSC could add more streamlining or cost reduction measures. The FPSC implemented NRRI's recommendations, including:

- The FPSC further shifted responsibilities to the administrative staff for the competition report's document control and relay data collection functions.

- The FPSC simplified the review process, analysis of data, and reduced the length of the competition report.

- The FPSC encouraged and trained companies to submit tariffs and service schedules online.

In subsequent years, the FPSC has implemented many additional efficiency measures. In 2011, the FPSC had 115 telecommunications-related rules. Through consolidation, revision, and elimination, there are now 22 active telecommunications-related rules.

In 2013, the FPSC implemented agency-wide electronic filing and submission policies that will substantially reduce the number of paper documents at the agency. Coincidentally with the agency-wide policy, the telecommunications group began updating its online tariff filing procedures and converting its existing tariff documents to digital format. All official copies of telecommunications tariffs, price lists, and service schedules are now available on the agency's website, as are all tariff updates. This development allows greater access to both consumers and companies, and reduces costs associated with record requests. Additionally, the FPSC continues the process of eliminating all obsolete or redundant paper archives of companies' rates and schedules.

Additionally, the telecommunications staff has become very flexible and able to perform a wide variety of functions. It has conducted periodic internal cross training on its remaining responsibilities, through both scheduled office-wide training sessions and temporary transfers of job duties. It has also developed comprehensive written Standard Operating Procedures for its functions. As staff become familiar with each other's duties, the requisite training time will be reduced should the need arise to further consolidate or transfer functions.

During 2012, the technical staff responsible for continuing statutory mandates were consolidated and established as a stand-alone unit within the agency to maximize efficiency and minimize supervisory needs. Then, in 2017, as further efficiency measures and staff changes were implemented, the FPSC merged its telecommunications staff with another office to streamline its processes further. Some administrative and management functions were consolidated, creating more savings for the agency. Other efficiency-related activity has included the transfer of call testing for Relay Service from FPSC staff to the relay provider, streamlined telecommunications certification and certificate transfer processes, and further transfers of duties to administrative staff.

Summary

The FPSC has proactively responded to the changes in its statutory authority as a result of the Act. The agency has assessed the appropriate staffing levels for the telecommunications staff, and will continue to monitor the workload and staffing needs. The FPSC hired NRRI in 2011 to audit the FPSC's telecommunications program to determine if additional changes needed to be made. The audit results reflected favorably upon the program, and the FPSC has implemented NRRI's suggestions. The FPSC has reviewed its telecommunications rules and eliminated unnecessary or obsolete regulations. The agency continues to seek ways to economize its resources while maintaining a high quality work product for all industries under the FPSC's authority, including telecommunications.

Attachment 4

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: November 8, 2024

TO: Braulio L. Baez, Executive Director

FROM: Office of Industry Development & Market Analysis (Fogleman, Williams, Deas) CH

RE: Draft 2024 Report on The Status of the Telecommunications Access System Act of 1991.

CRITICAL INFORMATION: **ACTION IS NEEDED** – Please place on the November 19, 2024 Internal Affairs. **Commission approval of the Draft Report is sought.** The Report must be available on the Commission's website by December 31, 2024.

SPECIAL INSTRUCTIONS: Staff anticipates the need for sign language interpreters. Please place near the beginning of the agenda to reduce interpreter costs.

Section 427.704(9), Florida Statutes, requires the Commission to prepare an annual report on the operation of the telecommunications access system (Relay Report), which shall be available on the Commission's website. The report is to include any proposals for improvements or changes to the telecommunications access system. Staff seeks Commission approval of the Draft 2024 Relay Report. Consistent with the 2023 report, staff seeks Commission approval of the following proposed recommendations to the Legislature intended to align the Telecommunications Access System Act of 1991 (TASA) with the present day communications and Relay marketplace:

- Authority for Florida Telecommunications Relay, Inc. to acquire equipment that uses other technologies (i.e. wireless and Voice over Internet Protocol) beyond that used to provide basic telecommunications services.

- Broaden the eligibility of membership on the TASA Advisory Committee beyond the specific organizations listed within TASA.

Attachment

cc: Mark Futrell, Deputy Executive Director, Technical
Apryl Lynn, Deputy Executive Director, Administrative
Keith Hetrick, General Counsel

DRAFT

Florida Relay 711

. . . discover communication freedom

The Status of the Telecommunications Access System Act of 1991

December 2024

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I. Florida Relay Background and Executive Summary

Chapter 427, Florida Statutes (F.S.), established the Telecommunications Access System Act of 1991 (TASA). Section 427.702, F.S., requires the Florida telecommunications access system to be compliant with regulations adopted by the Federal Communications Commission (FCC) to implement Title IV of the Americans with Disabilities Act (ADA). The ADA required the establishment of services to enable an individual with a hearing or speech disability to communicate by telephone or other device through the telecommunications system.

Section 427.704, F.S., charges the Florida Public Service Commission (FPSC or Commission) with overseeing the administration of the statewide telecommunications access system. The Commission fulfills its duty by selecting a provider of telecommunications relay service (TRS or relay service) through a competitive bidding process. The current provider of relay service is T-Mobile USA, Inc. (T-Mobile).

The Commission was also charged with designating an administrator of the relay system that is responsible for the distribution of specialized equipment and outreach. In May 1991, the FPSC directed the local exchange telecommunications companies to form a not-for-profit corporation, as required by TASA, to serve as administrator. Florida Telecommunications Relay, Inc. (FTRI) was thus created to administer the distribution of specialized equipment in Florida.[1] On an annual basis, the Commission approves a budget for FTRI and sets the amount of the TASA surcharge, which is collected by landline telecommunications service providers and remitted to FTRI.

Section 427.704(9), F.S., requires the Commission to prepare an annual report on the operation of the telecommunications access system and make it available on the Commission's website. The report must, at a minimum, briefly outline the status of developments in the telecommunications access system, the number of persons served, the call volume, revenues and expenditures, the allocation of the revenues and expenditures between provision of specialized telecommunications devices to individuals and operation of statewide relay service, other major policy or operational issues, and proposals for improvements or changes to the telecommunications access system.

When enacted in 1991, TASA was intended to provide individuals, with a hearing or speech disability, with a means of accessing communications services using the predominant medium at the time, the landline network. Technological advances and customer choice have significantly changed the communications options available to individuals with a hearing or speech disability. TRS minutes of use declined 10 percent from last year and captioned telephone service (CTS) minutes of use declined by 29 percent. Distribution of relay equipment declined by 36 percent from last year. In addition, the number of landlines in Florida, which the telecommunications access system was designed to provide access to, and upon which the TASA surcharge is assessed, has decreased by nearly 1.2 million, or 60 percent over the past five years.

[1] Docket No. 19910496-TP, Telecommunications Access System Act of 1991, Order No. 24462, issued on May 1, 1991, http://www.floridapsc.com/library/filings/1991/04253-1991/04253-1991.pdf, accessed on October 9, 2023.

Consistent with our 2023 Relay Report, the FPSC continues to believe a modernization of TASA is necessary to reflect changes in technology, consumer preferences, and the present day communications market. To that end, Chapter VI of this report contains the FPSC's recommendations for improvements and changes to the telecommunications access system pursuant to Section 427.704(9), F.S.

II. Equipment Distribution and Outreach

Under the FPSC's oversight, FTRI distributes specialized equipment required for telecommunications services to the deaf, hard of hearing, deaf-blind, or speech impaired. FTRI also performs outreach to increase consumer awareness of both FTRI's programs and the telecommunications access system. FTRI and its 14 regional distribution centers conducted 372 outreach events during the last fiscal year. FTRI's operations are funded through the collection of the TASA surcharge.

A. FTRI

The tables below provide a summary of FTRI's administration of the Florida telecommunications access system. Table 1 shows FTRI's revenues and expenses for Fiscal Year 2023-2024. FTRI's largest expense component, which accounted for approximately 36 percent of all expenses, were payments made to T-Mobile as the relay services provider. These relay services are discussed further in Chapter III. Any funding surpluses are deposited in a reserve account.

Table 1
FTRI Financial Report

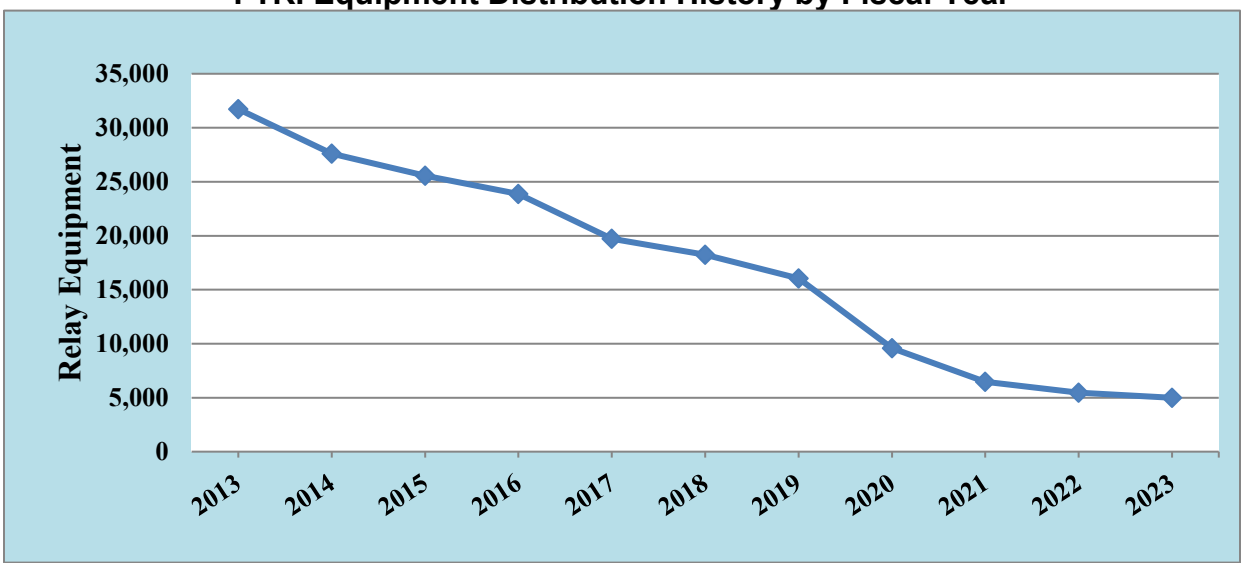
Account	Amount
Surcharge Revenue	2,868,441
Investment Income	812,722
Total Revenue	**$3,681,163**
Relay Services Expense	1,117,910
Equipment and Repair Expense	367,153
Equipment Distribution Expense	183,259
Outreach Expense	558,393
Administrative Expense	834,987
Total Expense	**$3,061,702**
Revenue Less Expenses	**$619,461**

Source: Florida Telecommunications Relay Inc.'s 2023-2024 Financial Statements.

B. Equipment Distribution

Section 427.704(7), F.S., requires the relay administrator to file quarterly financial statements for the distribution of specialized telecommunications devices and the telecommunications relay service. FTRI also files an annual report with the Commission, detailing equipment distribution, clients served, and outreach efforts. In its 2024 annual report, FTRI stated that it distributed approximately 3,469 pieces of relay equipment for Fiscal Year 2023-2024. Figure 1 shows the total units of relay equipment distributed from 2014 through 2024. As indicated in this Figure, the decline in equipment distribution during Fiscal Year 2023-2024 is consistent with the steady decline in distribution experienced over the past decade.

Figure 1
FTRI Equipment Distribution History by Fiscal Year



Source: Florida Telecommunications Relay, Inc.'s 2014 Annual Report through 2024 Annual Report.

FTRI, along with its regional distribution centers, provides equipment to qualified deaf, hard of hearing, deaf-blind, or speech impaired individuals at no charge for as long as they are needed. To receive equipment, individuals must complete an FTRI application, have it signed by an approved certifier, and either mail it to FTRI or visit a regional distribution center in their area. As part of the application process, consumers are informed of their responsibility to return equipment when it is no longer being used. The equipment predominantly distributed by FTRI is the volume control telephone for the hard of hearing. Table 2 compares types of equipment distributed by FTRI for the last two fiscal years. Overall, the total number of units distributed by FTRI declined by 30 percent during the last fiscal year.

Table 2
Equipment Distributed by FTRI

Equipment Type	Units 7/1/22 – 6/30/23	Units 7/1/23 – 6/30/24	Percentage Change
Volume Control Telephone (VCP)	3,812	2,410	-37%
Audible Ring Signaler (ARS) and Visual Ring Signaler (VRS)	31	357	1,052%
Telecommunications Device for the Deaf (TDD)	8	7	-12%
Captioned Telephone	34	72	112%
In-Line Amplifier	1,075	581	-47%
Other*	30	42	40%
Total	**4,990**	**3,469**	**-30%**

* Other *i*ncludes hearing carry-over, voice-carry-over, TeliTalk, and speech challenged telephones.
Source: Florida Telecommunications Relay, Inc.'s 2024 Annual Report and 2024 Data Request Response.

Approximately 90 percent of new recipients of equipment from FTRI are hard of hearing. Table 3 identifies the number and types of new recipients receiving equipment and training for the reporting period. The number of new recipients is lower than the distributed equipment referenced in Table 2 because a significant number of recipients received more than one piece of equipment.

Table 3
New Recipients of Equipment and Training
(For Fiscal Year 2023-2024)

Type of Recipient	New Recipients
Deaf	146
Hard of Hearing	1,538
Speech Challenged	33
Total	1,717

Source: Florida Telecommunications Relay, Inc.'s 2023-2024 Annual Report and 2024 Data Request Response .

Most applications received by FTRI were approved at Deaf Service Centers. Table 4 provides a listing of professionals involved with the certification of client applications for Fiscal Year 2023-2024.

Table 4
Applications Approved by Certifier Type
(For Fiscal Year 2023-2024)

Category of Certifier	Approved Applications
Deaf Service Center Director	1,363
Hearing Aid Specialist	187
Audiologist	98
Physician	39
Speech Pathologist	28
Federal or State Agency	2
Total	**1,717**

Source: Florida Telecommunications Relay, Inc.'s. 2024 Data Request Response

Table 5 reflects the number of persons served by FTRI over the last ten fiscal years. New clients served and customer calls are two of the key categories monitored to evaluate participation in the relay program. As presented, there has been an eighty-seven percent decline in new clients served and a seventy-seven percent decline in customer calls over the past ten years.

Table 5
FTRI Clients Served

Fiscal Year	New	Modified	Exchange	Return	Follow-Up	Calls
2014-2015	13,408	309	11,133	5,102	958	28,347
2015-2016	12,620	231	10,700	4,685	665	27,751
2016-2017	11,024	192	8,110	3,911	768	24,933
2017-2018	10,378	442	6,765	3,670	862	29,224
2018-2019	9,874	139	5,798	3,245	732	18,452
2019-2020	5,658	94	3,694	1,986	380	3,634
2020-2021	2,432	667	2,663	1,424	226	3,634
2021-2022	2,290	349	2,075	1,254	150	11,892
2022-2023	2,584	260	1,669	1,111	166	6,910
2023-2024	1,717	201	1,291	737	116	6,515

Source: Florida Telecommunications Relay, Inc.'s 2014-2015- Annual Report through 2023-2024 Annual Report.

C. Outreach

FTRI uses a mix of print and digital marketing to inform Floridians about relay service and equipment. FTRI also coordinates with the RDCs to conduct outreach. Based on coordinated efforts with the RDCs, FTRI conducted 372 outreach events and FTRI estimates that its outreach efforts delivered over 20 million general and targeted advertising contacts per month.

D. FTRI's Proposed Expansion

As part of FTRI's proposed budget for Fiscal Year 2023/2024, FTRI requested Commission approval to implement a Tablet Pilot program. In its proposal, FTRI explained that equipment distribution and client servicing has been declining because clients and potential clients are transitioning to newer advanced technologies. The purpose of the Tablet Pilot was to address this issue by offering more advanced technologies as part of its equipment distribution program.

FTRI also noted that some other state relay programs have legal authority to distribute more advanced types of equipment. Specifically, FTRI shared results from a state relay program survey it conducted in November 2022, which showed at least 14 states have distribution programs providing various types of iPad and/or Android devices. Two states reported that they

use a state relay surcharge on landlines to cover the cost of iPad and Android devices. Further, of the 21 states that responded to FTRI's survey, 14 have both landline and wireless surcharges, while 3 states responded that they rely on public funding instead of a surcharge to pay for the wireless services.

The Commission denied FTRI's proposal based on the lack of statutory authority in Florida. The TASA statute provides that the specialized telecommunications devices and the relay service should utilize "state-of-the-art" technologies and encourages the incorporation of new beneficial technologies as they are developed.[2] However, the question is whether tablets, and other non-basic equipment fall within that category in the context of TASA, which also provides in relevant part:

> 'Specialized telecommunications device' means a TDD, a volume control handset, a ring signaling device, or any other customer premises **telecommunications equipment specifically designed or used to provide basic access to telecommunications services** for a hearing impaired, speech impaired, or dual sensory impaired person.[3]

Furthermore, TDD is defined as:

> 'Telecommunications device for the deaf' or 'TDD' means a mechanism **which is connected to a standard telephone line**, operated by means of a keyboard, and used to transmit or receive signals through telephone lines.[4]

While, as stated above, TASA provides guidance that relay service should utilize state-of-the-art technologies and encourages the incorporation of new beneficial technologies as they are developed, the Commission decided that taking TASA as a whole, this guidance should be interpreted within the context of landlines and basic telecommunications service.[5] The Commission acknowledged that Section 427.704(9), F.S., requires in part that the Commission in its annual report include proposals for improvements or changes to the telecommunications access system, and directed staff to include recommendations in the Relay Report. The FPSC is offering recommendations for the modernization of TASA in Chapter VI.

In an effort to offer more technologically advanced equipment that is TASA compliant, FTRI requested Commission approval in its Fiscal Year 2024-2025 proposed budget to begin offering the XLC8GLT Deluxe. This advanced device connects to a XLC8 device also distributed by FTRI, and provides a larger screen and larger captions that only works with landlines via an installed application. The Commission approved FTRI's request.

[2] Section 427.702(g), F.S. and Section 427.702(3)(c), F.S.
[3] Section 427.703(14), F.S.
[4] Section 427.703(11), F.S.
[5] FPSC, Docket No. 20200073-TP, Order No. PSC-2020-0220-PAA-TP, Issued on June 29, 2020.

III. Relay Services and Minutes of Use

Relay service provides deaf or hard of hearing persons access to basic telecommunications services by using a specialized Communications Assistant (CA) who relays information between the deaf or hard of hearing person and the other party to the call. The deaf or hard of hearing person uses a Telecommunications Device for the Deaf (TDD) to communicate with the CA. The person using the TDD types a message to the CA who in turn voices the message to the other party.

Captioned telephone service (CTS) allows users to dial the number they wish to call and be connected automatically to a captioned telephone relay operator at the CTS service facility. Specialized captioned telephone equipment, in turn, automatically connects the user's line to a second outgoing line from the CTS facility to the called party. The relay operator repeats what the called party says into a computer and voice recognition technology automatically transcribes it into text, which is then transmitted directly to the user.

Appendix A provides insight into TRS user call patterns. As presented, incoming calls out numbered outgoing calls, and month-to-month call levels were stable. Also, call durations of 0-5 minutes for outgoing calls far exceeded call durations greater than 5 minutes.

Appendix B reflects the minutes of use for basic TRS and CTS from July 2023 to June 2024. During this period, the total number of billable minutes of use for basic TRS calls was 593,993, which is a decrease of 10 percent from the previous year. The total number of CTS minutes of use was 118,277, which represents a 29 percent decrease from the prior year. Basic TRS and CTS minutes of use are tracked separately due to the cost differential between the two services. Basic TRS currently has a cost of $1.60 per minute, while CTS has a cost of $1.67 per minute due to its specialized service.

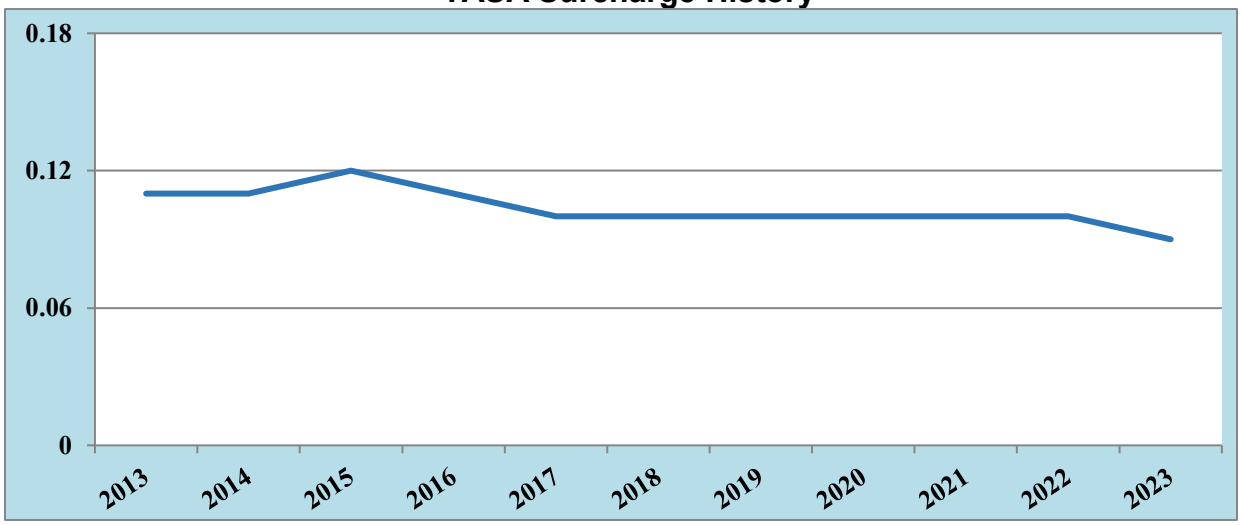
Overall, the TRS market is being impacted by the development of technology. The definitions of equipment and service supported by TASA have not changed since it was enacted over 30 years ago, which limits the types of new technology the Florida program can support. Consumers that once may have used Florida's TRS are transitioning to more advanced technologies such as smart phones, wireless computing, Internet Protocol (IP) Relay, IP CTS, and Video Relay, which are not part of Florida's telecommunications access system.[6] The shift away from basic TRS and CTS equipment to other technologies contributes to the decline in the minutes of use. Based on continued advancements in technology, along with the expansion of consumer choice, it appears that these trends will continue.

[6] IP Relay, VRS, and IP CTS are funded by the federal relay program.

IV. Funding

The Florida telecommunications access system is funded through a monthly surcharge on basic telecommunications access lines (landlines), up to 25 lines per customer. FTRI's revenues continue to decline due to the steady fall in the number of landlines. The number of landlines has declined by 60.1 percent over the past five years, as consumers switch to other technologies such as wireless and Voice over Internet Protocol (VoIP). These services are not required by TASA to contribute to the Florida telecommunications access system. The TASA surcharge for Fiscal Year 2024-2025 is $0.08 per access line each month. Figure 3 provides a historical view of the monthly TASA surcharge since 2012.

Figure 2
TASA Surcharge History



Source: FPSC Orders establishing budget and setting monthly surcharge, 2014 through 2024.

On May 6, 2024, FTRI filed its proposed Fiscal Year 2024-2025 budget for FPSC consideration. At the June 18, 2024 Agenda Conference, the Commission approved a total FTRI budget expense of $3,286,708 and reduced the monthly TASA surcharge from $0.09 to $0.08 per month.[7] Appendix C provides FTRI's approved budget and actual expenses for Fiscal Year 2023-2024, and the approved budget for Fiscal Year 2024-2025.

[7] Docket No. 20240056-TP, Notice of Proposed Agency Action Order Approving Florida Telecommunications Relay, Inc.'s Budget, PAA Order PSC-2024-0200-PAA-TP, issued on June 20, 2024, https://www.floridapsc.com/pscfiles/library/filings/2024/06752-2024/06752-2024.pdf, accessed on October 14, 2024.

V. State Activity

A. Request for Proposals

On March 5, 2024, FPSC staff opened a docket to initiate a Request for Proposals (RFP) to provide relay service in Florida after the conclusion of the current contract scheduled to expire in early 2025.[8] At the July 9, 2024 Agenda Conference, the Commission issued an RFP for a new contract beginning March 1, 2025. In response, Hamilton Relay and T-Mobile filed proposals. On November 5, 2024, the Commission approved staff's recommendation to select T-Mobile's proposal, based on staff's evaluation of technical, financial, and price elements. The new contract is for a period of three years, with options to extend for four additional one-year periods.

B. TASA Advisory Committee

Pursuant to Section 427.706, F.S., the FPSC established a committee to provide advice regarding the operation of TRS in Florida. The advisory committee provides the expertise, experience, and perspective of people who are deaf, hard of hearing, deaf-blind, or speech impaired. The committee advises on any matter relating to the quality and cost-effectiveness of TRS and the specialized telecommunications device distribution system. Members of the committee are not compensated for their service, but are entitled to per diem and travel expenses for committee meetings. The advisory committee can consist of up to ten individuals. While Section 427.706(1), F.S. specifies the organizations from which the committee should be comprised, not every organization listed continues to be active in Florida. In Chapter VI, the Commission is offering recommendations to address this issue. Table 6 lists the current members of the TASA Advisory Committee.

Table 6
TASA Advisory Committee Members

Recommending Organization	Name of Member
Florida Association of Centers for Independent Living	Jane E. Johnson
Florida Association of the Deaf, Inc.	Tom D'Angelo
Florida Council on Aging	Margaret Lynn Duggar

Source: TASA ADVISORY COMMITTEE - Florida Public Service Commission (floridapsc.com)

The committee meets twice a year in formal meetings organized and conducted by FPSC staff. In June 2024 and October 2024, FTRI presented details on its Fiscal Year 2024-2025 budget, equipment distribution, consumer outreach, and marketing initiatives. T-Mobile presented details on its Florida relay traffic trends and service quality testing.

[8] Docket No. 20240043-TP, Request for submission of proposals for relay service for the deaf, hard of hearing, deaf/blind, or speech impaired, and other implementation matters in compliance with the Florida Telecommunications Access System Act of 1991, https://www.floridapsc.com/pscfiles/library/filings/2024/01047-2024/01047-2024.pdf, accessed on October 3, 2024.

VI. Recommendations

Section 427.704(9), F.S., requires the Commission to include proposals for improvements or changes to the telecommunications access system as part of the Commission's annual Relay Report. As noted in previous chapters, the relay program is facing a number of challenges in terms of technological changes that affects both the demand for equipment and the viability of the program's long-term funding. The Commission believes that modernization of TASA is needed for the program to meet the evolving needs and preferences of consumers served by the program.

Technology and the market have changed significantly since the passage of TASA in 1991. At its height, Florida had 12 million switched access lines.[9] As of 2023, the number of access lines in Florida has declined to 763,866, a 94 percent decline.[10] By comparison, wireless subscriptions in Florida have grown to approximately 24 million today.[11] Furthermore, VoIP, which was not invented until 1995, currently has approximately 4 million subscribers in Florida. Wireless and VoIP technologies comprise the majority of the communications marketplace connecting consumers to the public switched network, yet they are not contemplated in TASA.

TASA states that specialized telecommunications devices and the relay service should utilize state-of-the-art technologies and encourages the incorporation of new beneficial technologies as they are developed.[12] However, as mentioned in Chapter II, TASA includes constraints based on how equipment is defined. Specifically, Section 427.703(11), F.S., defines specialized telecommunications devices as equipment that is "specifically designed or used to provide *basic* access to telecommunications services." In addition, "Telecommunications device for the deaf" or "TDD," is defined as "a mechanism which is connected to a standard telephone line" and "used to transmit or receive signals through telephone lines."[13] Thus, equipment that uses wireless or broadband technologies is not currently supported by TASA. The FPSC believes TASA should evolve to authorize FTRI to acquire equipment that uses technologies beyond basic landline telecommunications services.

Finally, the Commission proposes broadening the eligibility of membership on the TASA Advisory Committee beyond the specific organizations listed within TASA. Not all of the identified organizations are currently active in Florida, while others have not provided a volunteer for the Committee. The implementation of TASA would be better served by having flexibility to approve representatives from other organizations, while maintaining a board that represents the deaf and hard of hearing community.

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[9] FPSC, "Competition in Telecommunications Markets in Florida," December 2002, p. 21, https://www.floridapsc.com/pscfiles/website-files/PDF/Publications/Reports/Telecommunication/TelecommunicationIndustry/2002.pdf, accessed on October 24, 2024.
[10] FPSC, "Competition in Telecommunications Markets in Florida," December 2023, p. 14, https://www.floridapsc.com/pscfiles/website-files/PDF/Publications/Reports/Telecommunication/TelecommunicationIndustry/2024.pdf, accessed on October 24, 2024.
[11] Ibid, p. 20.
[12] Section 427.702(g), F.S. and Section 427.702(3)(c), F.S.
[13] Section 427.703(14), F.S.

VII. Conclusion

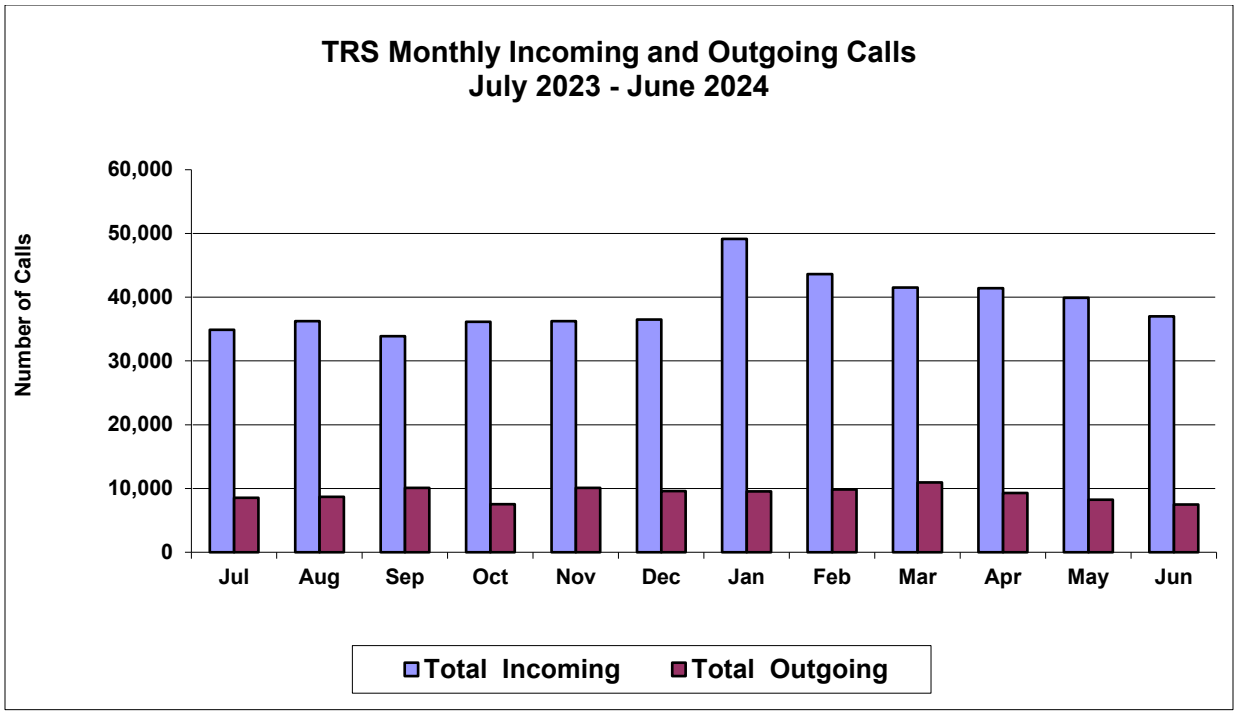
The FPSC will continue to be responsive to the needs of the deaf, hard of hearing, deaf-blind, and speech-impaired community in Florida. In addition, FTRI continues to distribute equipment and perform outreach activities that increase consumer awareness of both FTRI programs and the telecommunications access system.

Basic TRS and CTS users are transitioning to IP Relay, VRS, IP CTS, and Wireless Service. In Fiscal Year 2022-2023, basic TRS and CTS minutes of use decreased from the prior fiscal year. Based on continued advancements in technology, along with the expansion of consumer choice, it appears that minutes of use for these services will continue to decline.

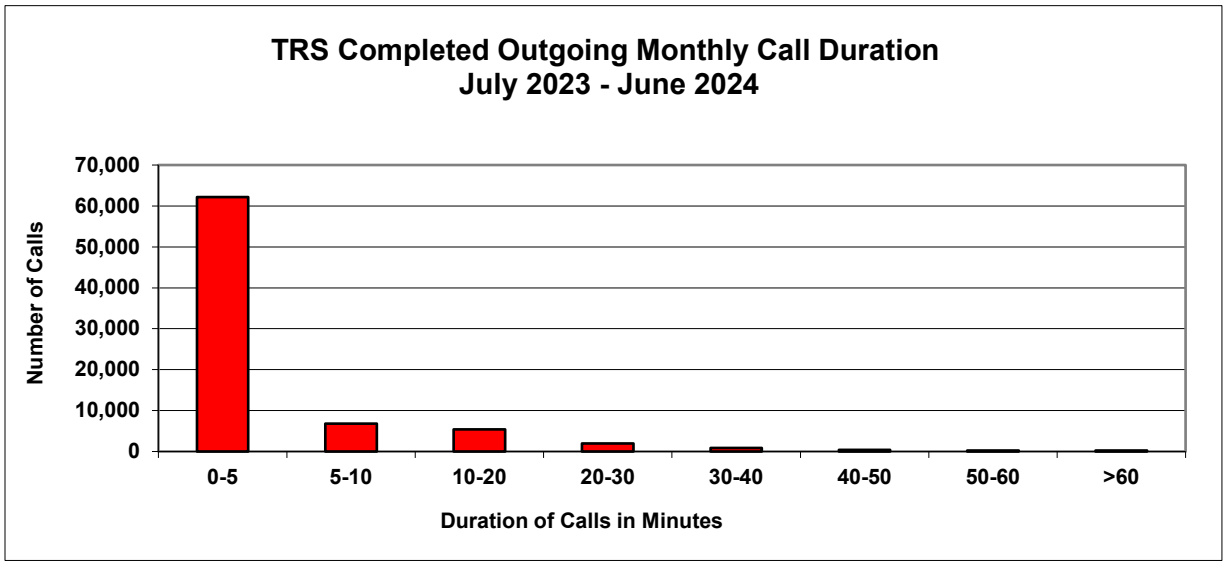
Pursuant to Section 427.704(9), F.S., the Commission proposes the following statutory revisions to address changes in technology, consumer preferences, and the present day communications market:

- Authority for FTRI to acquire equipment that uses other technologies (i.e. wireless and VoIP) beyond that used to provide basic telecommunications services.

- Broaden the eligibility of membership on the TASA Advisory Committee beyond the specific organizations listed within TASA.



Source: T-Mobile Relay Services Report – Florida Traffic Pattern Statistics – July 2023-June 2024.



Source: T-Mobile Relay Services Report – Intrastate/Interstate for FL - July 2023-June 2024.

TRS Billable Minutes and Charges July 2023 – June 2024		
Month	**TRS Minutes of Use**	**TRS Charges ($)**
Jul	52,902	$84,643
Aug	46,331	$74,129
Sept	49,351	$78,961
Oct	44,978	$71,965
Nov	47,266	$75,626
Dec	46,974	$75,159
Jan	54,695	$87,513
Feb	51,097	$81,755
Mar	53,390	$85,425
Apr	51,803	$82,885
May	47,198	$75,516
Jun	48,008	$76,812
Total	**593,993**	**$950,389**

Source: T-Mobile Monthly Traffic Report

CTS Billable Minutes and Charges July 2023 – June 2024		
Month	**CTS Minutes of Use**	**CTS Charges ($)**
Jul	11,828	$19,753
Aug	10,956	$18,296
Sept	9,564	$15,972
Oct	10,772	$17,989
Nov	11,611	$19,390
Dec	11,718	$19,570
Jan	10,898	$18,200
Feb	8,543	$14,266
Mar	9,428	$15,744
Apr	8,747	$14,607
May	7,847	$13,104
Jun	6,365	$10,630
Total	**118,277**	**$197,521**

Source: T-Mobile Monthly Traffic Report

FTRI Budget for 2023-2024 and 2024-2025 Fiscal Years

	Commission Approved Budget 2023-2024	Actual Revenue And Expenses 2023-2024	Commission Approved Budget 2024-2025
Operating Revenue			
Surcharges	3,102,955	2,868,441	2,349,642
Interest Income	682,040	812,722	1,099,754
Miscellaneous Income	0	0	0
Total Revenues	3,784,995	3,681,163	3,449,396
Surplus Account	19,024,958	20,275,855	23,625,205
CATEGORY I. Operating Expenses/ Relay Services			
T-Mobile	**1,299,227**	**1,117,910**	**921,793**
CATEGORY II. Equipment & Repair			
VCPH Cordless	0	168,440	0
VCPS-RC200	0	0	0
Large Print TDDs	0	0	0
VCO/HCO – TDD	0	0	0
VCO Telephone	0	0	0
Dual Sensory Equipment	0	0	0
CTS Phone Equipment	0	33,900	28,250
VCP Hearing Impaired	273,454	23,596	284,697
VCP Speech Impaired	0	0	0
TeliTalk Speech Aid	24,875	19,900	14,925
Jupiter Speaker Phone	0	0	0
In-Line Amplifier	70,370	50,795	89,123
ARS/VRS Signaling Equipment	4,234	37,661	10,411
VCPH Accessories	0	0	0
Accessories & Supplies	100	0	7,500
Telecom Equipment Repair	28,425	32,861	30,248
TOTAL CATEGORY II	**401,458**	**367,153**	**465,154**
CATEGORY III. Equipment Distribution & Training			
Freight-Telecom Equipment	41,475	42,112	37,000
Regional Distribution Centers	249,291	140,679	200,000
Workshop Expense	0	0	0
Training Expense	25,000	468	25,000
TOTAL CATEGORY III	**315,766**	**183,259**	**262,000**

	Commission Approved Budget 2023-2024	Actual Revenue And Expenses 2023-2024	Commission Approved Budget 2024-2025
CATEGORY IV. Outreach			
Outreach Expense	562,433	558,393	579,306
TOTAL CATEGORY IV	**562,433**	**558,393**	**579,306**
CATEGORY V. General & Administrative			
Advertising	0	0	0
Accounting/Auditing	26,698	26,038	26,833
Legal	37,790	14,106	20,000
Computer Consultation	6,210	4,304	6,403
Computer Software	0	6,002	0
Dues & Subscriptions	1,700	2,286	2,500
Furniture and Equipment Purchases	15,650	0	0
Depreciation	0	2,468	0
Office Equipment Lease	1,747	1,550	1,842
Insurance- Health/ Life/Disability/Other	200,584	96,064	147,544
Office Expense	12,762	30,101	13,820
Postage	3,100	956	2,060
Printing	750	144	750
Rent	94,950	94,420	94,842
Utilities	5,086	5,375	7,881
Retirement	88,469	73,228	88,469
Employee Compensation	521,992	403,623	513,176
Salary Survey Fees	0	0	0
Temporary Staff	0	0	0
Taxes-Payroll	39,932	30,101	39,258
Taxes-Unemployment Comp	70	0	63
Taxes-Licenses	61	0	61
Telephone	17,178	16,725	16,750
Travel & Business	12,000	3,140	8,000
Equipment Maintenance	1,350	1,124	1,250
Employee Training	500	0	500
Meeting & Interpreter	5,500	4,925	5,500
Miscellaneous	0	0	0
TOTAL CATEGORY V	**1,094,079**	**834,987**	**1,058,455**
GRAND TOTAL EXPENSES	**3,672,963**	**3,061,702**	**3,286,708**

Attachment 5

State of Florida

Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: October 28, 2024

TO: Braulio L. Baez, Executive Director

FROM: Office of Industry Development & Market Analysis (Fogleman, Deas, Day, Mallow) CH
Office of Consumer Assistance & Outreach (Muir, Thompson) CM

RE: 2024 Annual Lifeline Report Regarding the Number of Customers Subscribing to Lifeline Service and the Effectiveness of any Procedures to Promote Participation.

CRITICAL INFORMATION: ACTION IS NEEDED – Please place on the November 19, 2024 Internal Affairs agenda. **Commission approval of the draft Lifeline Report is sought.** The 2024 Lifeline Report is due to the Governor, President of the Senate, and Speaker of the House by December 31, 2024.

Staff is seeking Commission approval of the draft 2024 Annual Lifeline Report regarding the number of customers subscribing to Lifeline Service and the effectiveness of any procedures to promote participation. The report details state and federal regulatory action impacting the Lifeline program and Lifeline Awareness promotions in Florida.

Section 364.10(2)(h), Florida Statutes, requires the FPSC to provide this report to the Governor, President of the Senate, and Speaker of the House of Representatives by December 31 of each year.

Attachment

cc: Mark Futrell, Deputy Executive Director, Technical
Apryl Lynn, Deputy Executive Director, Administrative
Keith Hetrick, General Counsel

DRAFT

A report to the
Governor
President of the Senate
Speaker of the House of Representatives

December 2024

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List of Acronyms

ACP	Affordable Connectivity Program
C.F.R.	Code of Federal Regulations
DCF	Department of Children and Families
ETC	Eligible Telecommunications Carrier
FCC	Federal Communications Commission
FPSC	Florida Public Service Commission
F.S.	Florida Statutes
GB	Gigabytes
IHP	Individuals and Households Program
Mbps	Megabits per second
NARUC	National Association of Regulatory Utility Commissioners
NCPW	National Consumer Protection Week
SNAP	Supplemental Nutrition Assistance Program (formerly Food Stamps)
USAC	Universal Service Administrative Company
U.S.C.	United States Code
USF	Universal Service Fund

Executive Summary

The Florida Lifeline Assistance report is prepared pursuant to the requirements in Section 364.10(2)(g), Florida Statutes (F.S.). The Florida Public Service Commission (FPSC or Commission) is required to report to the Governor, the President of the Senate, and the Speaker of the House of Representatives each year on the number of customers subscribing to Lifeline service and the effectiveness of procedures to promote participation in the program.

The Lifeline program is designed to enable low-income households to obtain and maintain basic telephone and broadband services by offering qualifying households a discount on their monthly bills. Alternatively, consumers can choose to receive monthly wireless minutes and/or measured data service from certain wireless providers. This report presents Lifeline participation data from July 2023 through June 2024, and evaluates procedures put in place to strengthen the Lifeline program.

As of June 30, 2024, there were 212,243 Florida households participating in the Lifeline program. This represents approximately 1 of every 43 Florida households.[1] The Supplemental Nutrition Assistance Program (SNAP) continues to be the largest qualifying program for Lifeline assistance in Florida. However, only 12.8 percent of SNAP participants subscribe to Lifeline as of June 2024.[2] Using SNAP participation as a proxy for the number of Lifeline eligible households suggests that there continues to be significant growth opportunities for Lifeline enrollment. However, it should be noted that only carriers that have been designated as an eligible telecommunications carrier (ETC) are permitted to provide the Lifeline discount. If a customer's preferred carrier is not an ETC, they may be less likely to participate in the program if it requires switching providers.

"*Stay Connected Florida*" was the slogan for Florida's 2024 Lifeline Awareness Week, held on September 8-14. This year's Lifeline Awareness Week continued efforts to increase awareness and enrollment in the Lifeline program.

[1] Florida Legislature Office of Economic and Demographic Research, Demographic Estimating Conference, Florida Households, released on July 9, 2024, http://edr.state.fl.us/Content/conferences/population/ConferenceResults_Tables.pdf, accessed on October 11, 2024, p. 2, Households 9,127,327.

[2] Florida DCF, Access Florida: Standard Data Reports, https://www.myflfamilies.com/services/public-assistance/additional-resources-and-services/ess-standard, accessed on October 7, 2024.

I. Lifeline Program

The Lifeline program has provided phone service discounts for qualifying low-income consumers since 1985. The Lifeline program would later be codified with the passage of the Telecommunications Act of 1996. Initially, the program goal was to ensure that all Americans had the opportunity and security that basic phone service provides. In 2016, that goal was expanded by the Federal Communications Commission (FCC) to include broadband service.

One of the principles of the universal service program as described in the Telecommunications Act of 1996 is that consumers in all regions of the Nation, including low-income consumers and those in rural or high cost areas, should have reasonably comparable access to telecommunications and information services at rates that are reasonably comparable to those charged in urban areas.[3] The federal Lifeline program supports the goal of universal service by providing a monthly discount for services to qualifying households, thereby ensuring that low-income households have access to modern communications networks capable of providing voice and broadband service.[4]

Qualifying households can receive up to a $9.25 discount on their monthly phone or broadband bills from wireline service providers that have been designated as ETCs. Alternatively, consumers can choose to receive monthly wireless minutes and/or measured data service from designated wireless ETCs. Although some of Florida's wireless ETCs offer a free cell phone along with Lifeline service, the distribution of wireless devices is not funded by the Lifeline program.

Support for the Lifeline program comes from the federal Universal Service Fund (USF), which also provides funding for the high-cost, rural healthcare, and schools and libraries programs. Lifeline is available to eligible low-income households in every state and territory, as well as federally recognized Tribal lands.

The rules governing the Lifeline program are established by the FCC; however, the FCC has designated the Universal Service Administrative Company (USAC), an independent not-for-profit corporation, as the program's administrator. USAC is responsible for data collection, maintenance, support calculation, and disbursement of support for the Lifeline program along with other federal USF programs. USAC also administers the National Verifier, which determines customer eligibility for the Lifeline discount. The FPSC has oversight over the Lifeline program in Florida pursuant to Section 364.10, F.S.

A. Eligibility

Consumers can qualify to participate in the Lifeline program either through program-based or income-based eligibility standards. Program-based eligibility is determined by a customer's

[3] 47 U.S.C. § 254(b)(3).
[4] FCC, Third Report and Order, WC Docket No. 11-42, FCC 11-42, released on April 27, 2016, https://docs.fcc.gov/public/attachments/FCC-16-38A1.pdf, accessed on October 7, 2024.

enrollment in specific qualifying programs that were selected by the FCC. Customers can qualify for the Lifeline program by being enrolled in any one of the following programs:

- SNAP
- Medicaid
- Federal Public Housing Assistance
- Supplemental Security Income
- Veterans or Survivors Pension Program
- Bureau of Indian Affairs Programs: Tribal Temporary Assistance to Needy Families, Head Start Subsidy, and National School Lunch Program

Consumers whose total household income is less than 135 percent of the Federal Poverty Guidelines can participate in the Lifeline program under the income-based standard. The Federal Poverty Guidelines are updated annually and can be found in Appendix A. Consumers can enroll in the Lifeline program through income-based eligibility by providing qualifying documentation to the National Verifier.

B. Application Process

Consumers have several methods by which they can apply to receive Lifeline benefits:

- Through USAC's website using the National Verifier consumer portal
- In person with certain ETCs using the National Verifier service provider portal
- By mailing their application to USAC's Lifeline Support Center
- Through ETC websites that have access to the National Verifier

Eligibility is validated by the National Verifier through available automated eligibility data sources. Applications are checked to confirm identity, verify that the consumer is not already a Lifeline participant, and ensure compliance with all program rules. If eligibility cannot be validated through automated sources, customers can upload supporting documentation to the National Verifier portal or mail it to the Lifeline Support Center. Those that qualify must then contact a participating provider in their area to enroll in the Lifeline program.

In Florida, USAC's National Verifier is connected to the Florida Department of Children and Families (DCF) database to confirm customer eligibility through SNAP and Medicaid. Nationally, the National Verifier is also connected to the U.S. Department of Housing and Urban Development and the U.S. Department of Veterans Affairs.[5] When both federal and state

[5] USAC, Eligibility Verification, https://www.usac.org/lifeline/national-verifier/eligibility-verification/, accessed on September 18, 2024.

databases are used to confirm eligibility, USAC estimates that the automated eligibility pass rate is 64 percent nationwide.[6]

C. Minimum Service Standards

To be eligible for USF support, ETC's are required to provide broadband access that meets minimum service standards established by the FCC, unless they are granted forbearance from this obligation. These standards are reviewed annually through an FCC update mechanism to ensure that Lifeline customers continue to receive viable service options as technology improves.[7] The current minimum service standards include:

- 1,000 minutes per month of mobile voice
- 4.5 gigabytes per month of mobile broadband
- Fixed broadband speed of 25 megabits per second (Mbps) downstream and 3 Mbps upstream, with 1.23 terabytes per month of data usage

D. Duplicate Lifeline Support

Eligible consumers can only receive one Lifeline-supported service per household.[8] If there are two households residing at one address and each desire to participate in the Lifeline program, each applicant must complete USAC's Household Worksheet form. This form is used to demonstrate that each applicant is living in a separate economic unit and not sharing income or living expenses (bills, food, etc.) with another resident.[9]

To prevent waste in the program, the FCC created a National Lifeline Accountability Database and mandated its use to ensure that multiple ETCs do not seek and receive reimbursement for the same Lifeline subscriber.[10] This database conducts a nationwide real-time check to determine if the consumer or another person at the address of the consumer is already receiving Lifeline service. States have read-only access to this database to help prevent waste, fraud, and abuse of the Lifeline program.

E. Non-Usage Rule

In general, wireless ETCs offer Lifeline service for no additional cost beyond the support provided by the universal service program. While customers can elect to purchase additional minutes or data usage at their discretion, the program pays ETCs to provide a basic level of service.

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[6] USAC, National Verifier Annual Report and Data, released on January 31, 2024, https://www.usac.org/wp-content/uploads/lifeline/documents/nv/reports/2024-national-verifier-annual-report-and-data.pdf, accessed on September 18, 2024, p. 7.

[7] FCC, Public Notice, WC Docket No. 11-42, DA 23-621, released on July 30, 2024, https://docs.fcc.gov/public/attachments/DA-24-740A1.pdf , accessed on September 18, 2024.

[8] 47 C.F.R. § 54.409(c).

[9] USAC Household eligibility pre-screening tool, www.lifelinesupport.org, accessed on September 18, 2024.

[10] FCC, Report and Order, WC Docket No. 11-42, FCC 12-11, released on February 6, 2012, https://docs.fcc.gov/public/attachments/FCC-12-11A1.pdf, accessed on September 18, 2024.

To address potential waste that could occur if support is received for cell phones that are no longer functional or that may have been owned by a customer who is now deceased, the FCC has established rules regarding support for Lifeline connections with no usage. Specifically, if an ETC does not assess or collect a monthly fee from the customer over and above the support received from USF, the Lifeline customer must use the Lifeline-supported service at least once every 30 days. Usage is defined by the FCC as the customer completing one of the following:

- Completing an outgoing call or using data
- Sending a text message
- Buying minutes or data to add to the subscriber's service plan
- Answering an incoming call (calls from the customer's Lifeline service provider, Lifeline service customer's agent, or representative do not apply)
- Responding to direct contact from the customer's Lifeline service provider to confirm the subscriber wants to continue receiving Lifeline service

If the Lifeline customer does not use their service for 30 consecutive days (non-usage), the ETC must give the customer a 15-day notice that if they do not use the service in a further 15 days, their service will be terminated. ETCs must de-enroll those Lifeline customers who do not meet the usage requirement within the final 15-day grace period. Consumers de-enrolled from the Lifeline program for non-usage may reapply at any time by submitting an application to USAC.

II. Federal Communications Commission Activities

A. Affordable Connectivity Program

On December 31, 2021, the FCC launched the Affordable Connectivity Program (ACP) which offered discounts of up to $30 per month toward Internet service for eligible households.[11] Participants could also receive a one-time credit of up to $100 to purchase a connected device. Because no additional funding was provided by Congress, the ACP ended on June 1, 2024.[12] ACP providers were encouraged to raise awareness about the Lifeline program among its customers.

B. Phase Out of Voice-Only Support

On April 27, 2016, the FCC released its Lifeline Modernization Order.[13] This Order was primarily established to modernize the Lifeline program by including broadband as a supported service and establishing the National Verifier. In the Order, the FCC also established a timeline to gradually phase out support for voice-only services to make the program broadband-focused. Support for voice-only Lifeline service was scheduled to be completely phased out on December 1, 2021. However, the FCC has delayed the complete phase out of voice-only Lifeline support several times. In its most recent Order, the FCC stated that support for voice-only Lifeline services will continue to be available through November 30, 2025.[14] The FCC noted that this extension is partly due to the ongoing reliance of Lifeline subscribers on voice services. Currently, there are 275,000 Lifeline households that continue to subscribe to a voice-only qualifying plan. Standalone broadband plans or bundled broadband and voice plans will continue to be eligible for Lifeline support after the new phase-out date. Table 1 outlines the FCC's revised phase down schedule.

Table 1
Lifeline Support Transition Schedule

Effective Dates	Voice	Broadband & Broadband / Voice
From 12/1/19 to 11/30/20	$7.25	$9.25
From 12/1/20 to 11/30/25	$5.25	$9.25
After 11/30/25	$0	$9.25

Source: FCC, Order (DA 23-589)

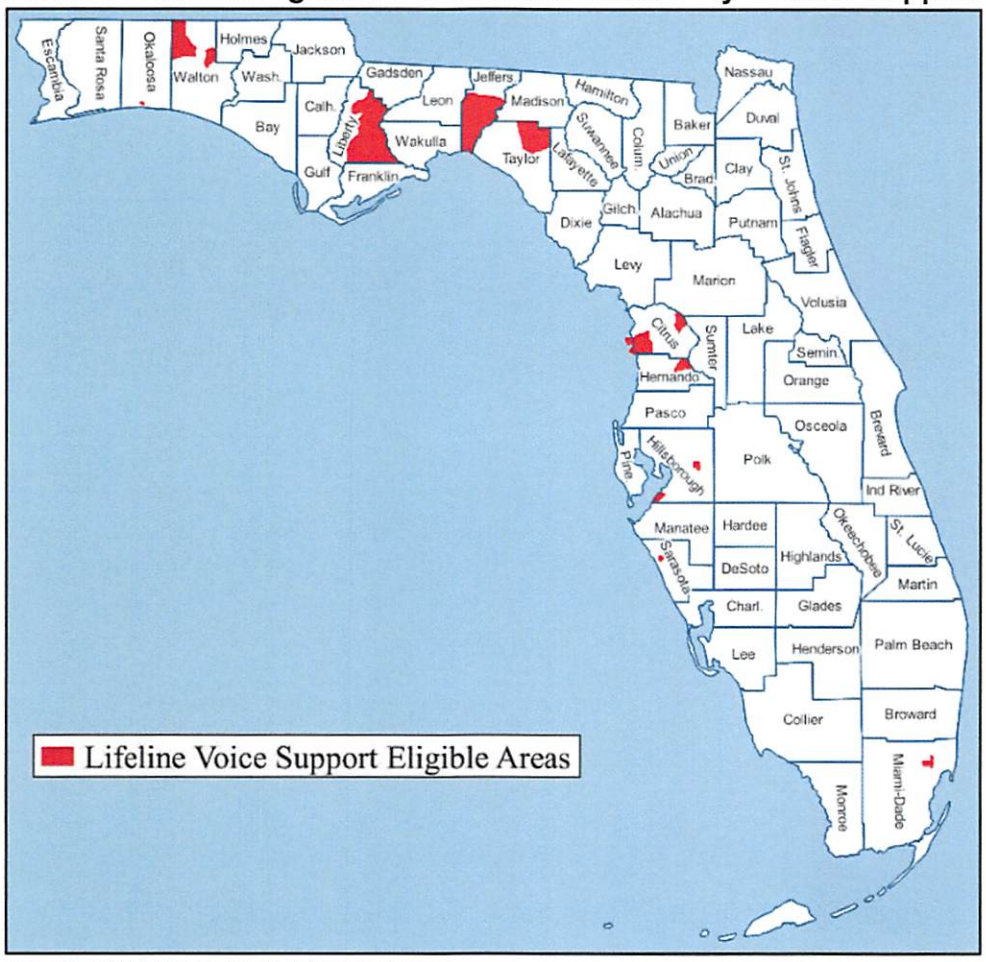
The 2016 Lifeline Modernization Order included an exception to the complete phase-down of voice-only support in census blocks where there is only one Lifeline provider. On June 2, 2021,

[11] FCC, News Release, released on January 4, 2022, https://docs.fcc.gov/public/attachments/DOC-378908A1.pdf, accessed on October 7, 2024.
[12] FCC, Public Notice, released on March 4, 2024, https://docs.fcc.gov/public/attachments/da-24-195A1.pdf, accessed on September 17, 2024.
[13] FCC, Third Report and Order, WC Docket No. 11-42, FCC 16-38, released on April 27, 2016, https://docs.fcc.gov/public/attachments/FCC-16-38A1.pdf, accessed on October 7, 2024.
[14] FCC, Order, WC Docket No. 11-42, DA 24-642, released on July 3, 2024, https://docs.fcc.gov/public/attachments/da-24-642A1.pdf , accessed on September 17, 2024.

the FCC released a public notice identifying the census blocks eligible to continue receiving the $5.25 support amount for voice-only Lifeline service.[15] The list of eligible census blocks will be evaluated annually by the FCC, and if a census block is determined to be served by more than one Lifeline provider, the discount will be discontinued on December 1st of that year.

In Florida, 4,389 census blocks qualify for the continued voice-only support. The FCC has not updated the census block data since the complete phase-down of voice-only support was postponed. Figure 1 highlights the areas eligible to continue receiving voice-only support at this time.

Figure 1
Areas in Florida Eligible for Continued Voice-Only Lifeline Support



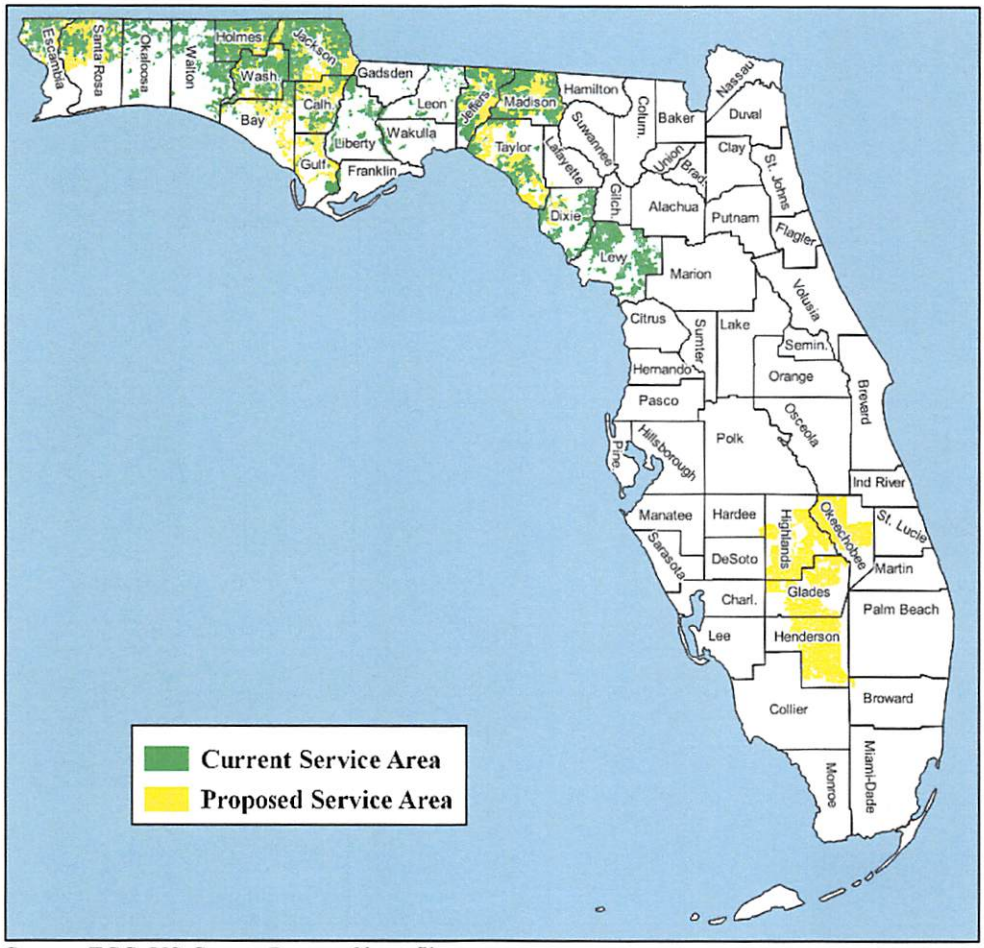
Source: FCC, Shape file by Census Tracts

[15] FCC, Public Notice, DA 21-640, https://docs.fcc.gov/public/attachments/DA-21-640A1.pdf, accessed on September 20, 2024.

C. Conexon Amended ETC Petition

On May 10, 2024, Conexon Connect LLC filed a petition with the FCC to amend its ETC designation for Florida.[16] The amended petition seeks to provide Lifeline-only service in additional areas. Previously, the FCC granted Conexon ETC designation in Florida in the areas for which it was authorized to receive high-cost support. Since then, Conexon has expanded its fiber network throughout the State of Florida. As a result, it is now requesting Lifeline-only ETC designation in its newly expanded areas. This petition is pending with the FCC. Figure 2 below shows Conexon's current Lifeline service area and the area for which it is seeking to expand its ETC designation.

Figure 2
Conexon Connect LLC Lifeline Service Area



Source: FCC, US Census Bureau Shapefile

[16] Conexon Connect LLC, Amended ETC Petition to FCC, WC Docket No. 09-197, filed on May 10, 2024, https://www.fcc.gov/ecfs/document/1051023581374/1, accessed on September 20, 2024.

D. Lifeline Rule Waivers

In 2024, Florida was struck by Hurricanes Helene and Milton, causing significant power outages, communication network failures and damage to homes. In response, the FCC temporarily waived Lifeline program non-usage, recertification, and reverification requirements for subscribers residing in the affected disaster areas.[17] These waivers will continue through November 30, 2024 for areas affected by Hurricane Helene and December 15, 2024 for areas affected by Hurricane Milton. Additionally, the FCC waived the Lifeline eligibility requirements for those participating in Federal Emergency Management Agency's Individuals and Households Program (IHP) due to Hurricane Helene through April 2, 2025 and Hurricane Milton through April 10, 2025.[18] New Lifeline Subscribers through IHP will be permitted to continue in the Lifeline program for up to twelve months from the date of their enrollment.[19] These waivers aim to ensure that Lifeline customers maintain access to emergency communications services, while also enabling ETCs to provide Lifeline service to otherwise non-eligible disaster victims as recovery efforts continue.

E. Lifeline Support for Domestic Abuse Victims

In November 2023, the FCC released an Order adopting rules implementing the Safe Connections Act of 2022.[20] The Order was established to protect survivors of domestic violence by ensuring they have access to reliable, safe and affordable connectivity. Under these rules domestic violence survivors can participate in the Lifeline program if they provide proof of a line separation request and demonstrate financial hardship. Survivors can confirm their financial hardship either by submitting documentation showing participation in a qualifying program or by self-certifying to their participation. Qualifying programs include the existing Lifeline eligibility programs or the Safe Connections Act specific categories outlined below:

- Household income at or below 200% of the Federal Poverty Guidelines;
- Enrollment in the Special Supplemental Nutrition Program for Women, Infants, and Children;
- Enrollment in the Free and Reduced-Price School Lunch or Breakfast program; or
- Receipt of a Federal Pell Grant in the current award year.

The FCC's rules implementing these changes were delayed until August 29, 2024, pending final approval from the Office of Management and Budget.[21]

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[17] FCC, Orders, WC Docket No. 11-42, DA 24-1025, released on October 1, 2024, https://docs.fcc.gov/public/attachments/DA-24-1025A1.pdf, accessed on October 2, 2024; and DA 24-1059, released on October 9, 2024, https://docs.fcc.gov/public/attachments/DA-24-1059A1.pdf, accessed on October 11, 2024.

[18] FCC, Orders, WC Docket No. 11-42, FCC 24-107, released October 2, 2024, https://docs.fcc.gov/public/attachments/FCC-24-107A1.pdf, accessed on October 15, 2024; and FCC 24-108, https://docs.fcc.gov/public/attachments/FCC-24-108A1.pdf, accessed on October 15, 2024.

[19] Ibid, par. 9.

[20] FCC, Report and Order, WC Docket No. 22-238, FCC 23-9, released on November 16, 2023, https://docs.fcc.gov/public/attachments/FCC-23-96A1.pdf, accessed on September 17, 2024.

[21] FCC, Public Notice, released on August 29, 2024, https://docs.fcc.gov/public/attachments/DA-24-881A1.pdf, accessed on September 17, 2024.

III. Florida Public Service Commission Activities

A. Recent ETC Designations

Following statutory revisions in 2011, the FPSC lacked authority to address applications for ETC designation from non-wireline carriers. However, in 2024 the Florida Legislature amended Section 364.10, F.S., expanding the FPSC's jurisdiction specifically to grant ETC designation to wireless carriers for Lifeline purposes only. As a result, the FPSC approved twelve wireless company applications for Lifeline-only ETC designation in 2024. These recent Lifeline ETC designations, listed below, can offer Lifeline service throughout Florida. The FPSC anticipates that the additional competition will provide eligible consumers more choice in carriers, increase promotional activity, and improve Lifeline subscribership.

- Air Voice Wireless, LLC d/b/a AirTalk Wireless
- American Broadband and Telecommunications Company LLC
- Amerimex Communications Corp d/b/a SaftyNet Wireless
- Boomerang Wireless, LLC d/b/a enTouch Wireless
- DISH Wireless L.L.C. d/b/a Gen Mobile
- FLORIDA TERRACOM INC. d/b/a MAXSIP TEL
- Global Connection Inc. d/b/a STAND UP WIRELESS
- IM Telecom, LLC d/b/a Infiniti Mobile
- Q LINK WIRELESS LLC
- Telrite Corporation d/b/a Life Wireless
- TEMPO TELECOM, LLC
- TruConnect Communications, Inc.

B. Prevention of Waste, Fraud, & Abuse of the Universal Service Fund

The FPSC remains committed to enforcing safeguards to prevent waste, fraud, and abuse of the USF. Protecting the integrity of the Lifeline program in Florida is a priority, and the FPSC takes appropriate enforcement action when necessary. With statutory authority to grant and revoke wireline and wireless ETC designations, the FPSC actively monitors federal USF disbursements to Florida's ETC's, ensuring funds are used in compliance with state and federal regulations.

On October 21, 2024, the FPSC opened a docket to begin proceedings to revoke the ETC designation of Q LINK WIRELESS LLC (Q LINK).[22] Shortly after receiving its ETC designation, Q LINK and its CEO, Issa Asad, pled guilty in federal court to defrauding the Lifeline program by submitting repeated false claims for reimbursement and retaining funds that

[22] FPSC, Docket No. 20240146-TP

it was not entitled to receive.[23] Q LINK also provided false information about its customers and deceived the FCC about its compliance with program rules.

C. Lifeline Promotion Process

The Lifeline Promotion Process is a computer interface connecting the FPSC, DCF and Florida ETC's to provide information to Medicaid and SNAP participants interested in the Lifeline discount. This process requires the DCF applicant to first express an interest in receiving the Lifeline discount and select an ETC. The selected ETC then contacts the customer to determine if they have already been approved for the Lifeline program through the National Verifier. If the customer has been approved, the ETC provides the Lifeline discount. For those customers who have not yet applied for Lifeline, the ETC or the FPSC sends instructions on how to apply using the National Verifier. Between January and November 2024, the FPSC sent 50,752 such letters to eligible households. The FPSC mailed 23,187 total letters in 2023.

D. Lifeline Promotion Activities

Promotional activities in 2024 featured National Lifeline Awareness Week and National Consumer Protection Week, along with ongoing "grassroots" efforts to increase awareness and enrollment in the Lifeline program. The FPSC works with state commissions, the National Association of Regulatory Utility Commissioners (NARUC), and the FCC to promote National Lifeline Awareness Week and educate consumers on the nationwide application process through the National Verifier. The national effort also ensures that low-income families and individuals are aware of the Lifeline program and understand the eligibility requirements. The shared goal is for all eligible households to be enrolled and receive Lifeline program benefits. The FPSC seeks existing community events as well as new venues and opportunities where Lifeline educational materials can be distributed and discussed with consumers.

1. National Lifeline Awareness Week

NARUC and the FCC have designated the first full week in September after Labor Day each year as National Lifeline Awareness Week. "*Stay Connected Florida!*" was the slogan for Florida's 2024 Lifeline Awareness Week, September 8-14. In addition to increasing awareness among eligible citizens, the FPSC continued educating residents about the Lifeline discount on voice and broadband services, as well as the program's household and recertification requirements. This year, Florida's outreach focused on senior and community centers in Northeast Florida. Lifeline information is also available on the FPSC's website.[24]

2. National Consumer Protection Week

National Consumer Protection Week (NCPW), March 3-9, 2024, provided a good opportunity for Lifeline outreach activities. An annual Federal Trade Commission consumer education

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[23] United States Attorney's Office, Southern District of Florida, Press Release, "Nationwide Telecommunications Provider and its CEO Plead Guilty to Massively Defrauding Federal Government Programs Meant o Aid the Needy," released October 15, 2024, https://www.justice.gov/usao-sdfl/pr/nationwide-telecommunications-provider-and-its-ceo-plead-guilty-massively-defrauding, accessed on October 21, 2024.

[24] FPSC, Lifeline Assistance Webpage, https://www.psc.state.fl.us/lifeline-assistance-program, accessed on October 7, 2024.

campaign, NCPW encourages consumers to take advantage of their consumer rights. For more than a decade, the FPSC has joined government agencies, advocacy organizations, and private sector groups nationwide to highlight NCPW.

Chairman Mike La Rosa recognized the 26th Annual NCPW by raising awareness of the FPSC's free energy efficiency and water conservation resources to help protect consumers when making choices that affect their bottom line. During NCPW, the FPSC met with consumers in Orange, Leon, and Broward Counties to share information on Lifeline and other Commission materials for consumers. A virtual meeting was also held with a senior organization in Orange County.

3. Older Americans Month

Each May, the Commission participates in Older Americans Month, a national project to honor and recognize older Americans for their contributions to families, communities, and society. "*Powered by Connection*" was this year's theme. The FPSC partnered with centers in Holmes, Washington, Hillsborough, Orange, Brevard, and Duval Counties to meet with seniors in-person and distribute information on Lifeline and utility bill reduction strategies. A virtual meeting was also held with a senior organization in Lee County.

4. Library Outreach Campaign

Each year, the FPSC provides educational packets, including FPSC publications and Lifeline brochures and applications in English and Spanish, to Florida public libraries across the state for consumer distribution. The FPSC's Library Outreach Campaign reached 548 state public libraries and branches via e-mail in 2024. Following the Campaign, many libraries request additional hard copies of FPSC publications throughout the year.

5. Ongoing Lifeline Outreach

Ensuring easy access to Lifeline information through the agencies and organizations having regular interaction with eligible consumers is crucial to the Lifeline awareness effort. The FPSC partners with many agencies year-round to make sure eligible consumers know about Lifeline and know how to apply. Each month, the FPSC sends a cover letter and informational packet to two organizations to encourage continued Lifeline outreach to their eligible clientele. The FPSC continues to conduct in-person and virtual monthly meetings or train-the-trainer events to promote Lifeline.

The FPSC also names a valued partner agency or organization as a "Helping Hand," for helping raise public awareness about the Lifeline program, energy and water conservation, and utility impersonation scams. Helping Hands named in 2024 include: L. Claudia Allen Senior Center and Marion Senior Services.

6. Lifeline Partners

The local, state, and federal agencies, organizations, businesses, and telecommunications companies listed in Appendix B are involved in the collaborative effort to increase awareness and participation in the Lifeline program. These Lifeline Partners have continued to develop new partnerships, participate in local community events, offer training sessions, provide updates about program changes, and supply brochures and applications.

IV. Lifeline Providers

Congress has granted state commissions the authority to designate carriers as ETCs if they meet certain requirements.[25] Conversely, state commissions may rescind ETC designation should a company fail to follow the Lifeline program requirements. In instances where a state commission lacks jurisdiction to grant ETC status, the FCC may make the designation.[26] To qualify as an ETC, a telecommunications carrier must offer services supported by federal USF program.[27] The services can be provided either using its own facilities or a combination of its own facilities and another carrier's resold service, and they must advertise the availability of such services and charges. A company applying for designation as an ETC must demonstrate good management and legitimate business practices to successfully provide Lifeline service.[28]

When the Telecommunications Act of 1996 was initially implemented, all ETCs were eligible to participate in the high-cost program and were required to offer Lifeline services. Since then, the FCC has revised its rules to allow companies to request ETC designation to participate in the Lifeline program only and forgo participation in the high-cost programs. Table 2 identifies the seventeen ETCs that offer Lifeline service in Florida as of June 30, 2024. We note that Tracfone also offers Lifeline through several brands in Florida (SafeLink, Straight Talk, Total Wireless, and Walmart Family Mobile). Additional details can be found in Appendix C which provides Lifeline enrollment figures for each ETC between 2021 and 2024.

Table 2
ETCs Offering Lifeline in Florida
(As of June 30, 2024)

Access Wireless (i-wireless)	Frontier Communications of the South	TDS (Quincy Telephone Co.)
Assurance Wireless (T-Mobile)	Frontier Florida, LLC	TracFone (Verizon)
Blue Stream Fiber (ITS)	NEFCOM (Northeast Florida Telephone Co.)	Windstream / Kinetic
CenturyLink	Phone Club Corporation	WOW! (Knology of Florida, Inc.)
Consolidated Communications (GTC)	Smart City Telecom	Viasat
Conexon Connect	Spectrum (Bright House)	

Source: Industry Responses to 2024 FPSC Data Requests

While Mediacom received ETC designation in Florida from the FCC in 2021, it has not begun offering Lifeline service in Florida. Mediacom's ETC designation authorizes the company to participate in a federal high-cost program. This designation requires expanding its network into

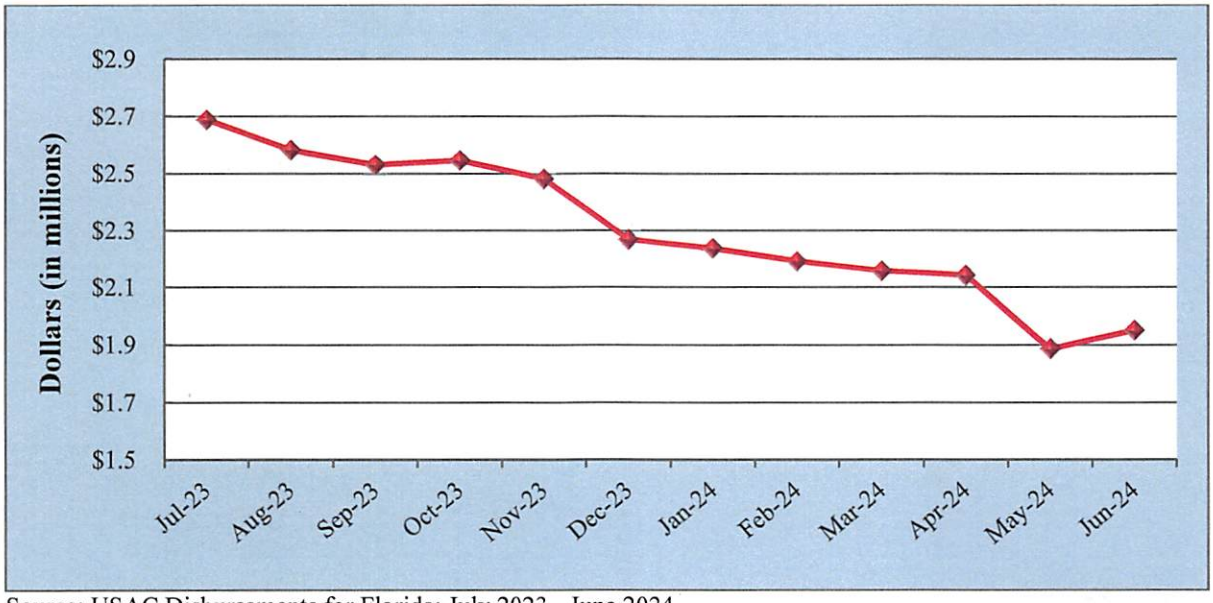
[25] 47 U.S.C. § 214(e)(2).
[26] 47 U.S.C. § 214(e)(6).
[27] 47 C.F.R. § 54.101.
[28] 47 C.F.R. § 54.201(h).

specific rural areas and providing Lifeline assistance.[29] Per the requirements of this program, Mediacom has begun building out in Bay, Gulf, Okaloosa, and Santa Rosa counties, and plans to offer Lifeline service to no less than 40 percent of these areas by the end of December 2024.[30]

A. Funding Distributions

Only carriers that have been designated as an ETC can be reimbursed for the Lifeline discount from the USF. Figure 3 reflects the monthly USAC Lifeline disbursements to ETCs in Florida during the reporting period. The total amount disbursed during these 12 months was $27.67 million, with an average of $2.3 million per month. This is a decrease from the average of $2.85 million per month last year. These amounts include prior period support corrections. The monthly disbursements to Florida ETCs peaked at $2.68 million in July 2023 as Lifeline subscribership gradually decreased throughout the reporting period.

Figure 3
Low-Income Disbursements to Florida ETCs



Source: USAC Disbursements for Florida: July 2023 - June 2024

B. Lifeline Service Obligations by Technology

ETCs can meet their Lifeline service obligations either through offering voice, broadband, or a combination of both services. Table 3 shows the percent of Lifeline subscription by service type and by type of underlying carrier. Currently, wireline providers meet their Lifeline obligation predominantly through the provision of voice services. Wireless ETCs primarily offer bundled

[29] FCC, High-Cost ETC Designation Order, DA-663, https://docs.fcc.gov/public/attachments/DA-21-663A1.pdf, released on June 8, 2021, accessed on August 26, 2024.
[30] Mediacom Petition, WC Docket No. 09-197 https://www.fcc.gov/ ecfs/document/10106152312768/1, accessed on August 28, 2024. See also, FCC, Public Notice – Milestone Deadlines, DA 21-1287, released on October 14, 2021, https://docs.fcc.gov/public/attachments/DA-21-1287A1.pdf, accessed on August 28, 2024.

services that meet the federal standards for both voice and broadband. Florida's sole satellite ETC, Viasat, had no Lifeline customers as of June 2024.

Table 3
Lifeline Subscription by Service Type
(As of June 2024)

Carrier Type	Voice	Broadband	Bundled
Wireless	0.6%	29.8%	69.6%
Wireline	61.4%	11.4%	27.2%
Satellite	0.0%	0.0%	0.0%

Source: Industry Responses to 2024 FPSC Data Requests

During the reporting period, no wireless providers offered voice-only service to new customers. As noted in Table 3, however, 0.6 percent of wireless customers received voice-only services through grandfathered plans that are no longer available to new customers. These grandfathered voice-only plans are provided by Assurance and TracFone's SafeLink brand, and represent 0.02 and 1.42 percent of their respective Lifeline customers. Appendix D provides percentage of Lifeline subscriptions by service type for each carrier.

C. Wireless Service Standards

All wireless ETCs in Florida meet the minimum FCC standards by offering either a minimum of 1,000 voice minutes or 4.5 gigabytes (GB) of data to Lifeline subscribers.[31] Table 4 outlines different Lifeline services currently offered by wireless ETCs in Florida and their compliance with the federal standards. These providers offer plans at no cost to the Lifeline consumer. However, customers can elect to purchase additional voice minutes, data or upgrade their services by selecting alternate plans. By comparison, TracFone and three of its other Lifeline brands offer customers a monthly $10.00 discount on any of its plans that offer more than 6GB of data.[32]

Table 4
Lifeline Wireless Qualification Standard by Carrier
(As of September 2024)

Wireless ETC	Minimum Standards Met	Voice	Data
Access Wireless	Voice/Data	1,000 Minutes	4.5 GB
Assurance	Voice/Data	1,000 Minutes	4.5 GB
TracFone's SafeLink Brand	Voice/Data	Unlimited	10 GB

Source: Industry Responses to 2024 FPSC Data Requests

[31] This includes recently designated wireless ETCs identified in section A of this chapter.
[32] Specifically, TracFone, Straight Talk, Total Wireless, and Walmart Family Mobile.

V. Lifeline Participation

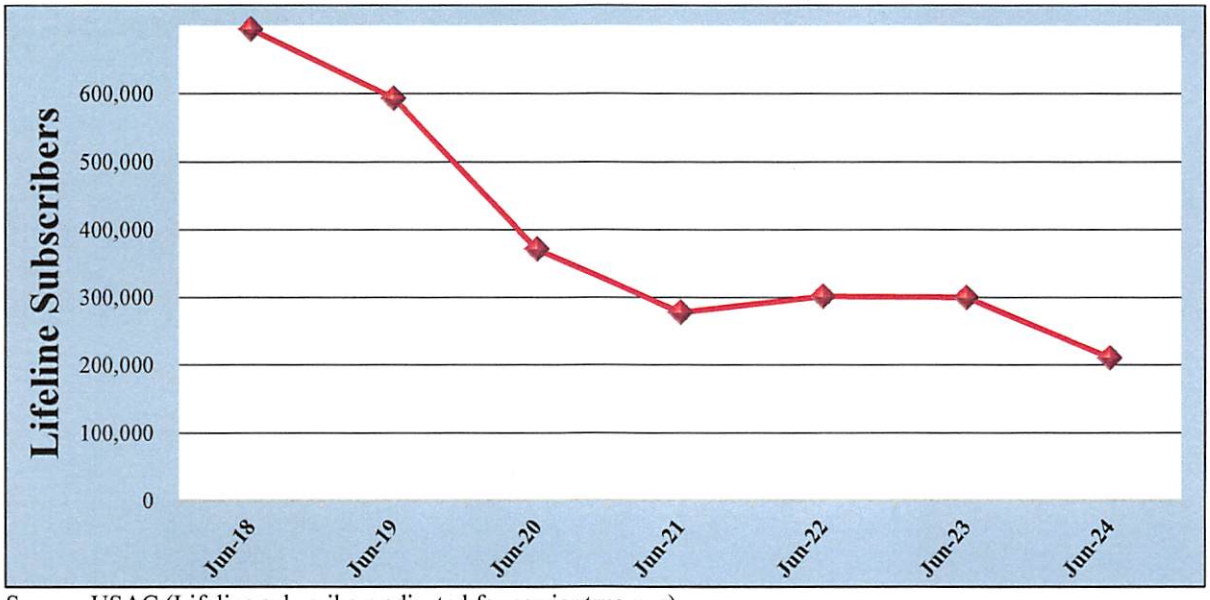
A. Participation

As of June 30, 2024, there were 212,243 subscribers enrolled in Lifeline in Florida. During the 2023-2024 reporting period, Lifeline subscribership decreased by 87,984, which represents a 29 percent decrease from the previous year. Florida experienced similar declines in Lifeline participation in 2020 and 2021 of 37 percent and 25 percent, respectively.

For this reporting period, 99 percent of this decline was concentrated among two wireless providers, Assurance Wireless and TracFone. These wireless providers attribute this decline to the winding down of the ACP, which led some customers who were receiving benefits for both ACP and Lifeline to switch to non-Lifeline providers once the ACP support ended.

Recent USAC data shows that after the reporting period, the 12 new wireless ETC's now serve around 71 thousand Lifeline subscribers. These wireless carriers participated in ACP, which used almost identical eligibility criteria as the Lifeline program. This suggests that some of the decline during the reporting period may have been attributed to consumers migrating from Lifeline carriers to providers offering only ACP support while the program was still funded. Figure 4 shows annual Lifeline subscribership for June 2019 through June 2024.

Figure 4
Florida Lifeline Subscribership
(For Fiscal Years 2019-2024)

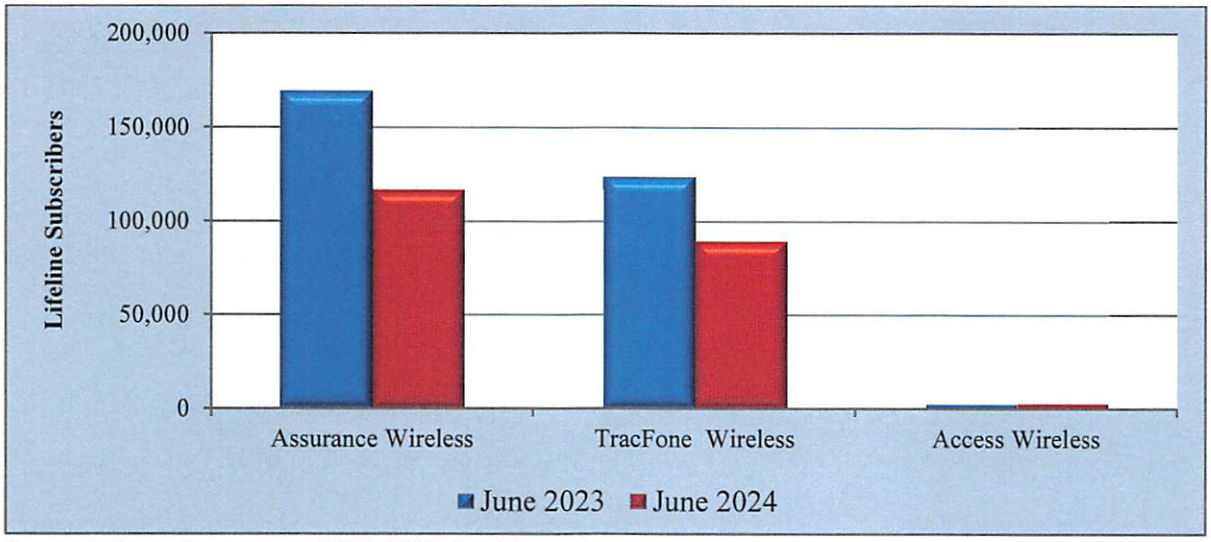


Source: USAC (Lifeline subscribers adjusted for carrier true-ups)

The three ETCs with the most Lifeline subscribers in Florida for June 2023 and 2024 are identified in Figure 5. For the last twenty years, Assurance Wireless and TracFone have been the dominate providers of Lifeline service in Florida. For fiscal year 2023-2024, they represented more than 97 percent of the Florida Lifeline market. Yet both carriers have experienced

significate declines in subscribership since last year. Assurance Wireless lost 31 percent of its Lifeline customers, leaving it with 116,807 customers in Florida. By comparison, TracFone lost 28 percent of its Lifeline customers, leaving it with 89,548 customers in Florida. Of the three largest Lifeline ETCs in Florida, only Access Wireless experienced subscribership growth in 2024.

Figure 5
Top Three Florida Lifeline ETCs



Source: Industry Responses to 2024 FPSC Data Requests

Table 5 compares the number of households enrolled in Lifeline with the estimated number of Lifeline eligible households based upon SNAP participation. Using SNAP participation as a proxy for the number of Lifeline eligible households suggests there are significant growth opportunities for Lifeline enrollment. However, it should be noted if a customer's preferred carrier is not an ETC, they may be less likely to participate in the program if it requires switching providers. This is especially true when a customer is required to pay an early contract termination fee to make such a switch.

Table 5
Lifeline Participation Rate in Eligible Florida Households

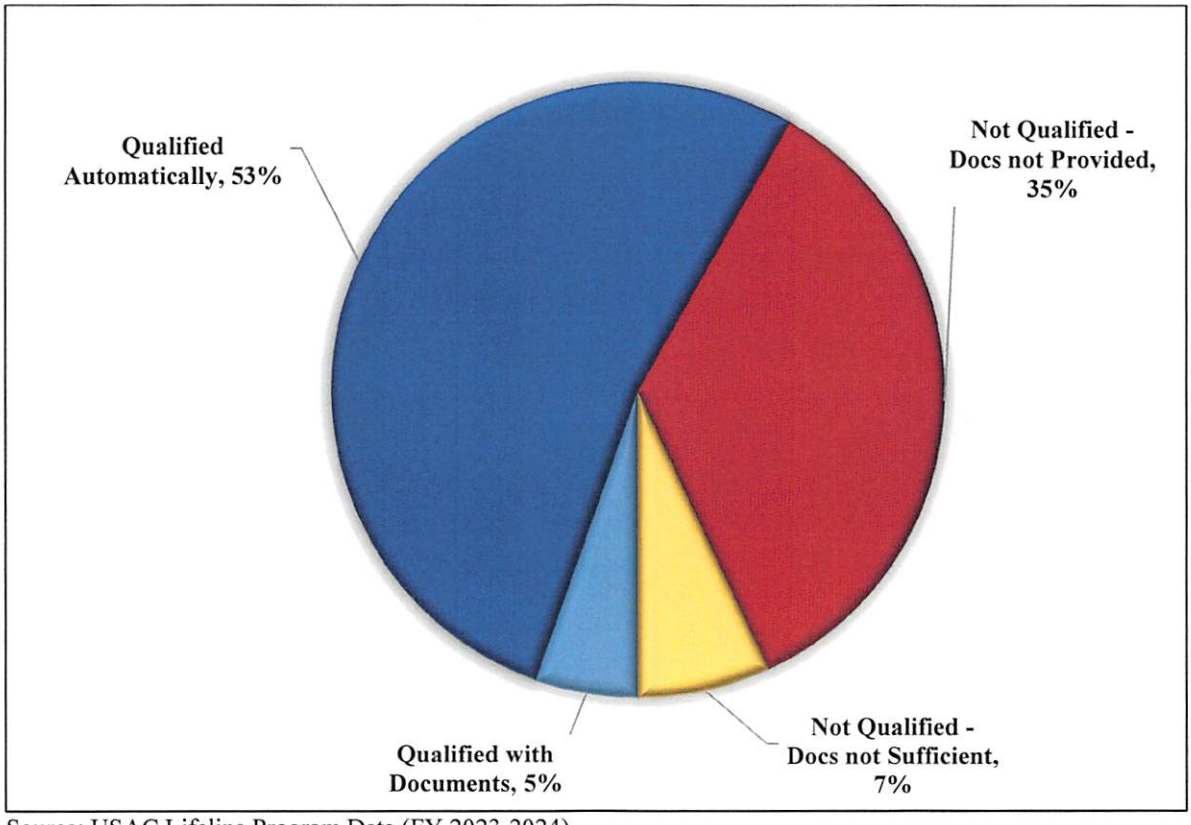
Year	Lifeline Enrollment	Eligible Households	Percent Participation Rate
June 2020	371,180	2,151,503	17.25%
June 2021	273,641	1,882,842	14.53%
June 2022	300,285	1,590,216	18.88%
June 2023	300,229	1,658,694	18.10%
June 2024	212,244	1,661,381	12.78%

Source: Florida DCF, Access Florida: Standard Data Tables

While there was a decrease in subscribership during fiscal year 2023-2024, the number of Lifeline eligible households increased by 2,687.[33] As a result, the participation rate as of June 2024 declined to 12.78 percent. The current participation rate in the Lifeline program in Florida compared to the number of Lifeline eligible households demonstrates the continued need for Lifeline outreach.

For fiscal year 2023-2024, the National Verifier received 1,059,341 applications from Florida.[34] Figure 6 illustrates that 58 percent of all applications qualified for Lifeline. Most of these applications, 53 percent, were approved by USAC automatically by verifying consumers eligibility through databases of qualifying programs. In Florida, these databases include those managed by DCF and other federal agencies. Among the 42 percent of applications that were not approved, 35 percent did not provide any documents to support their applications within 45 days.

Figure 6
National Verifier Qualification Results in Florida



Source: USAC Lifeline Program Data (FY 2023-2024)

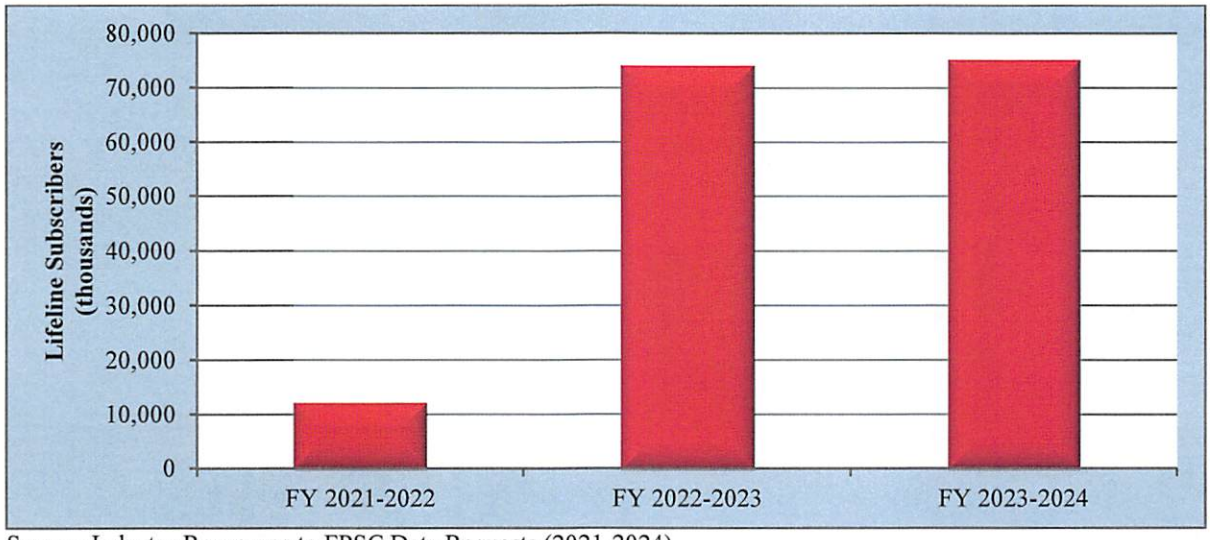
[33] Florida DCF, Access Florida: Standard Data Reports by Caseload, https://www.myflfamilies.com/services/public-assistance/additional-resources-and-services/ess-standard, accessed on September 16, 2024.
[34] USAC Program Data, https://www.usac.org/lifeline/resources/program-data/, accessed on September 23, 2024.

B. Transitional Lifeline

Transitioning from the Lifeline program usually occurs when a customer's socio-economic status has improved, thus advancing them beyond the qualifying eligibility criteria. As required by Section 364.105, F.S., customers who no longer qualify for Lifeline are eligible to receive a 30 percent discount on the residential basic local service rate for one year. For example, a former Lifeline customer with a $25 phone bill would receive a $7.50 monthly discount for one year.

Figure 7 represents the average monthly number of Transitional Lifeline customers of Florida ETCs. During the 2023-2024 fiscal year, the average number of monthly customers receiving the Transitional Lifeline benefit was 74,847, which represents a slight increase over the previous year.

Figure 7
Average Monthly Transitional Lifeline Participants
(For Fiscal Years 2021-2024)



Source: Industry Responses to FPSC Data Requests (2021-2024)

Rather than offer a transitional discount, to comply with Section 364.105, F.S., TracFone offers its former Lifeline customers a 30 percent discount on the customer's chosen prepaid wireless service rates for at least one-year after termination of their Lifeline benefits. TracFone does not track Transitional Lifeline customers participating in this manner and, therefore, is not included in Figure 7.

Appendix A
2024 U.S. Poverty Guidelines

Persons in Family/Household	2024 U.S. Federal Poverty Guidelines	135% of Federal Poverty Guidelines	Monthly Income at 135% of Federal Poverty Guidelines
1	15,060.00	20,331.00	1,694.25
2	20,440.00	27,594.00	2,299.50
3	25,820.00	34,857.00	2,904.75
4	31,200.00	42,120.00	3,510.00
5	36,580.00	49,383.00	4,115.25
6	41,960.00	56,646.00	4,720.50
7	47,340.00	63,909.00	5,325.75
8	52,720.00	71,172.00	5,931.00

Source: Department of Health and Human Services, Annual Update of the Department of Health and Human Service Poverty Guidelines. Federal Register Notice, released on January 17, 2024, https://www.federalregister.gov/documents/2024/01/17/2024-00796/annual-update-of-the-hhs-poverty-guidelines, accessed on October 14, 2024.

Appendix B
Agency, Organization, and Business Lifeline Partners

Florida Lifeline Partners	
1000 Friends of Florida, Inc.	Coalition of Florida Farmworker Organizations, Inc.
A Caring Hand Home Care	Communities In Schools Foster Grandparent Program
AARP–Florida Chapter	Florida Lifeline Partners
Ability Housing of Northeast Florida	Community Action Program Committee, Inc.
ACCESS Florida Community Network Partners	Community Legal Services
Advance Senior Solutions, Inc.	Communities In Schools Foster Grandparent Program
Agency for Health Care Administration	Community Legal Services
Agency for Persons with Disabilities	Community Partnership Group
Aging & Disability Resource Center of Broward Co.	Corporation to Develop Communities of Tampa, Inc.
Aging Matters in Brevard County	Deaf and Hard of Hearing Services of Florida, Inc.
Aging True Community Senior Services	Deaf & Hard of Hearing Services of NW Florida, Inc.
Aging With Dignity	Disability Rights Florida
Aging Solutions, Inc.	Elder Options
Alliance for Aging, Inc.	Elder Source
America's Second Harvest of the Big Bend, Inc.	Faith Radio Station and other Florida radio stations
Area Agencies on Aging	Federal Social Security Admin - Tallahassee District
ASPIRE Health Partners	Feeding South Florida
Big Bend 2-1-1 and other 2-1-1 Agencies	First Quality Home Care
Boley Centers, Inc.	Florida Alliance for Information and Referral Services
Braille and Talking Book Library	Florida Assisted Living Association
Brain Injury Association of Florida, Inc.	Florida Association for Community Action
Bridges at Riviera Beach	Florida Association of Community Health Centers
Bridgeway Center, Inc.	Florida Association of Counties
Broward County Elderly & Veterans Services Division	Florida Association of County Human Service Admin
Bureau of Indian Affairs Programs	Florida Association of the Deaf, Inc.
Capital Area Community Action Agency, Inc.	Florida Association of Food Banks
CARES of Florida	Florida Association of Housing & Redevelopment Ofcl.
Carrfour Supportive Housing	Florida Coalition for Children
Catholic Charities of Central Florida	Florida Coalition for the Homeless
Center for Hearing and Communication	Florida Council on Aging
Centers for Drug Free Living	Florida Deaf Services Centers Association
Centers for Independent Living	Florida Department of Business & Professional Reg.
Central Florida Community Action Agency	Florida Department of Children and Families
City and County Consumer Assistance Departments	Florida Department of Economic Opportunity
City and County Consumer Assistance Departments	Florida Department of Education
City and County Housing Authorities	Florida Department of Elder Affairs
City and County Social Programs	Florida Department of Revenue

Florida Lifeline Partners (continued)	
Florida Department of Veterans' Affairs	Monroe County Community Support Services
Florida Elder Care Services	Monroe County Social Services
Florida Highway Safety and Motor Vehicles	NAACP (Florida Associations)
Florida Hospital Association	National Church Residences
Florida Housing Authorities	North Miami Foundation for Senior Citizens' Ser., Inc.
Florida Housing Coalition	Nursing Homes Administrators
Florida Housing Finance Corporation	Nu-Hope of Highlands County
Florida League of Cities, Inc.	One-Stop Career Centers
Florida Low Income Housing Associates	Osceola County Corrections Department
Florida Nurses Association	Palm Beach Community Action Agency
Florida Office of Public Counsel	Refuge House of the Big Bend
Florida Ombudsman Program	Second Harvest of the Big Bend
Florida Public Libraries	Seminole County Community Development
Florida Public School Districts	Senior Connection Center, Inc.
Florida Rural Legal Services, Inc.	Senior Friendship Centers
Florida Schools for the Deaf and Blind	Senior Medicare Patrol
Florida Senior Medicare Patrol	Senior Resource Alliance
Florida Senior Program	Senior Solutions
Florida Telecommunications Relay, Inc.	Seniors First
Florida Voters League	SHINE Program
Gateway Community Outreach	South East American Council, Inc.
Good News Outreach	Suwannee River Economic Council
Goodwill Industries of Central Florida	Tallahassee Memorial Hospital
Habitat for Humanity – Florida	Tallahassee Urban League
HANDS of Central Florida	Tampa Vet Center
Hemophilia Foundation of Greater Florida	The Shepherd's Center of Orange Park
Hillsborough County Community Action Program	Three Rivers Legal Services, Inc.
Hispanic Office for Local Assistance	U.S. Department of Housing and Urban Development
HOPE Community Center	United Home Care Services
HOPE Connection	United Way of Florida
HOPE Partnership	Urban Jacksonville
League for the Hard of Hearing	Urban Leagues of Florida
Leon County School Board	Volusia County Community Services
Little Havana Activities and Nutrition Centers	Wakulla County Senior Citizens Council
Living Stones Native Circle	Walton County Council on Aging
Marion Senior Services	Washington County Council on Aging
Miccosukee Tribe of Indians of Florida	We Care-Jacksonville
Mid-Florida Housing Partnership, Inc.	

Appendix C
Lifeline Enrollment and Year-to-Year Net Growth Rate

	ETCs	Jun-21	Jun-22	Net Growth Rate	Jun-23	Net Growth Rate	Jun-24	Net Growth Rate
Wireless	Assurance Wireless	155,848	177,982	14%	169,309	-5%	116,807	-31%
	TracFone*	100,463	109,128	9%	123,926	14%	89,548	-28%
	Access Wireless	7,566	4,136	-45%	2,271	-45%	2,705	19%
	T-Mobile	3,523	3,608	2%	0**	-100%	0**	0%
Wireline	CenturyLink	2,652	2,153	-19%	1,844	-14%	1,259	-32%
	Windstream / Kinetic	1,289	1,361	6%	1,142	-16%	810	-29%
	Frontier Florida	1,478	1,249	-15%	1,102	-12%	592	-46%
	Consolidated Communications	255	189	-26%	163	-14%	121	-26%
	NEFCOM	169	138	-18%	131	-5%	109	-17%
	Phone Club	138	138	0%	138	0%	95	-31%
	WOW!	55	73	33%	43	-41%	71	65%
	TDS Telecom	88	77	-13%	68	-18%	51	-25%
	Blue Stream Fiber (ITS)	37	30	-19%	54	80%	37	-31%
	Frontier of the South	19	17	-11%	32	88%	18	-44%
	Conexon	0**	0**	0%	0	0%	18	100%
	Smart City	3	6	100%	6	0%	2	-67%
	Spectrum (Bright House)	0**	0	0%	0	0%	0	0%
	AT&T	58	0**	-100%	0**	0%	0**	0%
Satellite	Viasat	0**	0**	0%	0	0%	0	0%
	Total	273,641	300,285	10%	300,229	0%	212,243	-29%

Source: FPSC Data Requests 2021-2024; * TracFone includes SafeLink, Simple Mobile, Straight Talk, Total Wireless, and Walmart Family Mobile brands. ** Not offering Lifeline.

Appendix D
Lifeline Subscription by Service Type
(as of June 2024)

	ETCs	Voice	Broadband	Bundled
Wireless	Assurance Wireless	0.02%	53.27%	46.71%
	TracFone*	1.42%	0.02%	60.93%
	Access Wireless	0.00%	0.00%	100.00%
Wireline	CenturyLink	92.37%	1.75%	5.88%
	Windstream / Kinetic	16.17%	14.57%	69.26%
	Frontier Florida	70.10%	14.36%	15.54%
	Consolidated Communications	69.42%	4.13%	26.45%
	NEFCOM	23.85%	2.75%	73.39%
	Phone Club	100%	0%	0%
	WOW!	2.82%	80.28%	16.90%
	TDS Telecom	25.49%	74.51%	0.00%
	Blue Stream Fiber (ITS)	5.41%	72.97%	21.62%
	Frontier of the South	72.22%	22.22%	5.56%
	Conexon	0.00%	83.33%	16.67%
	Smart City	0.00%	50.00%	50.00%
	Spectrum (Bright House)	0.00%	0.00%	0.00%
Satellite	Viasat	0.00%	0.00%	0.00%
	Total	1.50%	29.50%	69.00%

Source: FPSC Data Request 2024; *TracFone includes SafeLink, Simple Mobile, Straight Talk, Total Wireless, and Walmart Family Mobile brands.

II. Outside Persons Who Wish to Address the Commission at Internal Affairs

Note: The records reflect that no outside persons addressed the Commission at this Internal Affairs meeting.

III. Supplemental Materials for Internal Affairs

Note: The records reflect that there were no supplemental materials provided to the Commission during this Internal Affairs meeting.

IV. Transcript

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

PROCEEDINGS:	INTERNAL AFFAIRS
COMMISSIONERS PARTICIPATING:	CHAIRMAN MIKE LA ROSA COMMISSIONER ART GRAHAM COMMISSIONER GARY F. CLARK COMMISSIONER ANDREW GILES RAY COMMISSIONER GABRIELLA PASSIDOMO
DATE:	Tuesday, November 19, 2024
TIME:	Commenced: 9:31 a.m. Concluded: 10:13 a.m.
PLACE:	Gerald L. Gunter Building Room 105 2540 Shumard Oak Boulevard Tallahassee, Florida
REPORTER BY:	TRACY BROWN Court Reporter and Notary Public in and for the State of Florida at Large

Thereupon,

The following proceedings began at 9:31 a.m.:

CHAIRMAN LA ROSA: Good morning, everybody. Today is November 19th. And this is our internal affairs meeting here at the Florida Public Service Commission. So good morning.

Important piece of information, our business that we always do in our internal affairs is to recognize our Employee of the Month. So this month was Tony Velasquez in engineering. Now Tony is down in Tampa, so I had the opportunity, not to go down and meet him in person like I have, obviously, with a lot of our employees that are here based in the building, but to give him a call. He thought I was calling about something else. And I surprised him with telling him that he was the Employee of the Month. It was great to talk to him and, of course, we talked a little bit about the storms and how things are going down there. But Tony was very excited.

He's been with us a very long time. Started his career here at the Commission in

the Tallahassee office, then filled a supervisor opening in the Tampa district office a few years back. While Tony is on the go as a person to -- for electric safety questions, he's the one we rely on a lot. He's also proficient in gas safety questions and that area of expertise. As a supervisor, Tony holds his staff to a high standard, but not higher than the one he sets for himself. He is consistently looking for new methods to improve efficiencies and usually adds a little bit of humor to his day. I was certainly able to get a little bit of that out of the conversation yesterday with him. So Tony Velasquez, I know he was either going to be listening or maybe he'll hear the recording. But congratulations on being the Employee of the Month.

(Applause.)

All right. The other important piece of business we do, I know everyone looks forward to it because I get a lot of participation, thank you for all those that participate. Offering a song of the month. So this -- today's song, if you didn't hear it was 100 Years from Now -- I'm sorry. 100 Years from

Now by the Byrds. Now clearly I've never heard that song before, right, until I chose it, right. So it was submitted by, yes, yours truly. A little bit biased because I get to choose a song. But I thought, we're looking at report today and planning and forecasting and I thought what better appropriate song than a song I just found, 100 Years from Now by the Byrds. So I know everyone's going to go home and listen to it. Download it on Spotify or whatever you use if you're listening to music.

But let's go ahead and jump in. We've got a lot that we're reviewing today, of course, our forward-looking meeting. We're going to start with item actually number four which is the 2024 status of the Telecommunications Access System Report which is attachment four in the agenda packet. And let's go ahead and I'll pass it over to staff to start us off.

MR. WILLIAMS: Good morning, Commissioners.

CHAIRMAN LA ROSA: Good morning.

MR. WILLIAMS: Curtis Williams with the Office of Industry Development and Market Analysis. This item is the 2024 draft relay

report for your approval. The report is required by statute to only be published on our website, which is why it has not traditionally been presented at internal affairs. We're bringing the report to this year's IA for your approval because it includes recommendations to the legislature regarding the modernization of TASA, similar to our report last year.

Staff recommends the following two statutory revisions to address changes in technology, consumer preferences and the present day communications market: Number one, authority for FTRI to acquire equipment that uses other technologies, such as wireless and VoIP, beyond the current equipment it distributes to provide basic telecommunication services. Number two, broaden the eligibility of membership on the TASA Advisory Committee beyond the specific organizations listed within TASA today.

We are available for questions.

CHAIRMAN LA ROSA: Commissioners, are there any questions on staff on the report?

Commissioner Fay.

COMMISSIONER FAY: Thank you. I

apologize. I have questions on this. I know you're shocked. Tolerate me.

CHAIRMAN LA ROSA: In my notes --

COMMISSIONER FAY: Yeah, you didn't --

So first of all, I appreciate staff bringing this forward. I -- you know, I know typically this goes on the website. I think it's probably a good thing that comes forward every year, I think for purposes of this document, this report having the legislators recommendations on it. It looks like, you know, from a staff perspective, you spent a lot of time on this and I appreciate that because I think, you know, this is the only report that I'm aware of where the statute clearly directs the Commission to, you know, look at technology advancements, look at what's out there, and then bring forward potential changes in modernizing it. That's obviously different than if the legislature decides to restructure something. They're always entitled to do so.

But I think for the purposes of this, it's -- we've got a program, you know, on the revenue side, there's really not a lot that needs to be addressed. The expense side seems

to be the continued problem that we hear from FTRI every year when we see their budget, that they're unable to do this.

So just my first question is based on the recommendation, if they were able to move forward and -- I just -- I say sort of redefine that basic device. I mean, I think the terminology is something that can be played with, but if they do that, does that cut back on both the -- capture the CTS minutes and then potentiality also the TRS minutes? Or just one or the other? Like, what would that change potentially do?

MR. WILLIAMS: Potentially it could. I mean, you know, there's always a forecast on minutes of use. Changing the technology could have an impact on minutes of use for TRS and -- well, specifically for TRS because currently that's the service that we're providing.

COMMISSIONER FAY: Okay. And then have you -- has the report ever looked at the possible savings? So just for example, you know, we have the services that are under the interstate action and then under the intrastate minutes, that comes out of the state's pockets,

that comes out of that -- that fee --

MR. WILLIAMS: TRS's budget.

COMMISSIONER FAY: Thank you. The TRS budget.

So if you have quote, unquote, "a switch" to a smart -- some version of a smart device that's used, it's my understanding that that would not use any intrastate minutes and possibly would create savings for the state on a recurring basis; is that fair?

MR. WILLIAMS: Yes, it could. That's something, to be honest, that staff -- we haven't thoroughly analyzed that at this point. That's something that we can start taking a look at. I would anticipate that it would possibly have a savings.

COMMISSIONER FAY: Okay. Yeah. And maybe as an aggregate, it's material, I don't -- like to your point, if you looked at it, the numbers might not be enough to persuade sort of that expense shift, but it does seem like it at least eliminates the recurring costs for that individual who's using that device and potentially could have some savings.

MR. FOGELMAN: It depends on what kind of

device we would look at switching to. So let's say it was a tablet, would that just use Wi-Fi, for example? You know, that would be a fixed cost. You know, that would be a one-time expense. By the same token, if it was, say, a tablet that used, say -- that was hooked to, like, the AT&T Wireless where there was a recurring expense, then that might be a different equation. So it kind of depends on what the device is, what the price of the device is and are there any recurring expenses as well.

So, you know, we can take a look at that.

COMMISSIONER FAY: Okay. Great. I'm not recommending we change the report this year based on what you said, but I do think in the future, that that would be something to look at to at least have an analysis for FTRI and those folks when they -- when we send this and they go to the legislature. There might be additional savings there and they're able to see that. But I don't think that's something this year that necessarily needs to be pushed forward.

I just appreciate the, you know, direct

approach to this to find the changes that are maximized for what they need the most. And then there's always change- -- I mean, there's always more that could probably be tweaked. But I think we've heard from them year after year and we need to send this directly to the legislature and be available for any questions they might have to get this right. Because in my opinion, I think -- I've obviously prioritized this, but we need to accept the reality that this is, you know, a statute that's in the way of these individuals who have speech and hearing disabilities that are unable to communicate through telecommunications devices. It's just unacceptable. We have to fix this.

And so my hope is that we'll see some version of this that could be fixed. And then down the road, maybe there are other things like the revenue sharing and all that that we look at that could be changed.

But I appreciate this, Mr. Chairman. I appreciate you allowing it to come forward to this meeting. And once again, I know some are probably tired of me talking about this and I

do my best to be efficient. I sort of joked when I read this report, I was like, maybe I'm the one who complicated this thing way too much. Like this seems like a very reasonable, smart change that, you know, we could have brought forward. And it's just a complicated issue. So I think it's one of those things that we maybe made more complicated than it needed to be. But this is a great recommendation. I appreciate -- or a great report. I appreciate you bringing it forward. And, you know, I look forward to sending it to the legislature and doing what we can to support it.

CHAIRMAN LA ROSA: Excellent.

Anything further, Commissioners?

All right. I want to check with staff. We've got to take a vote on this, right, to make it --

So I'll open the floor for a motion.

COMMISSIONER FAY: You guys want to steal it from me?

COMMISSIONER CLARK: It's yours.

COMMISSIONER GRAHAM: All yours.

COMMISSIONER FAY: Mr. Chairman, I move

the approval of this report.

COMMISSIONER CLARK: Second the motion.

CHAIRMAN LA ROSA: Move approval of the report. All those in favor, signify by saying yay.

(Members reply yay.)

CHAIRMAN LA ROSA: Opposed, no?

(No response.)

CHAIRMAN LA ROSA: Show that this report shall move forward.

Thank you.

COMMISSIONER FAY: Thank you, Mr. Bradley, for being here.

CHAIRMAN LA ROSA: So let's go back to the top of the order. We'll go back to number one on our agenda, which is the '24 ten-year site plan. I'll let folks get set up and organized and the floor is yours when you're ready.

MR. DAVIS: Good morning, Commissioners. I am Greg Davis with the Commission staff in the engineering division. Item number one is a draft review of the 2024 ten-year site plans of Florida's electric utilities. This year's review is in the same format and contains similar content as last year's review.

Staff reviewed each of the utilities' site plans and the state as a whole. Overall, reserve margins for summer and winter have been by the electric utilities statewide. Natural gas continues to -- I'm sorry. Natural gas continues to provide most of the net energy for load, but its contribution is forecasted to decrease from 72.7 percent in 2023 to 54 percent by 2033. These declines are offset by an increase in renewables, primarily solar, which will increase from 6.8 percent to 30.8 percent in 2033.

The state is projected to add almost 31,000 megawatts of MED generation of solar and over 5300 megawatts of batteries.

Staff seeks the Commission's approval of the draft review of the 2024 ten-year site plans which would find any utilities' plan suitable for planning purposes. If the Commission approves the draft as suitable, the review and any comments received will be provided to the Department of Environmental Protection for consideration in future need, determination -- need, determination, receivings and the Department of Agricultural

and Consumer Services regarding few and low forecasts. Staff also seeks administrative authority to make minor edits, if needed.

Staff is available for questions.

CHAIRMAN LA ROSA: Thank you for the summary.

Commissioners, thoughts or questions on the ten-year site plan?

Commissioner Clark, please.

COMMISSIONER CLARK: Just two generic -- kind of generic questions. Number one, in the forecasting methodology, one of the things that was interesting to me is looking at what we're going to need to build over the next ten years to accommodate certain sectors of load growth. The EV one is one that is interesting to me. We're continuing to see in the forecast this increased ramp-up in EV load growth, but is that really and truly accurate right now compared to what we're seeing in the industry with the actual decrease in the number of projections for EV growth? That may have been a little confusing way of saying that, but --

MS. WU: Good morning, Commission, Jenny with ECO.

In terms of forecasting models, the utility bill to looking forward, the EV -- some of the utility incorporate it, but most of them have not for the current forecasting.

COMMISSIONER CLARK: Okay. So we're -- clarify that for me. So we're not taking into consideration the slow down in growth? It appears to me that we're continuing to see the curve on the exact same trajectory. The industry kind of indicates that it's going the opposite direction. It's actually going to be dec- -- not increasing as fast, I would say. It's flatter. The growth is flat.

We're predicting some 3,000 megawatts of additional growth over the next ten years. Is that an accurate forecast is my question?

MS. WU: I would say it's accurate based on the current methodology the utility use to looking forward while going to increase in terms of a load. But in terms of EV, there's still a small amount -- for other reasons. The main driver for the increase of the energy consumption, the population grows so the customer count increase. And, of course, the economic of the state but also offset by

certain facts. For example, the conservation which play a -- one of the major role, like more stringent coding for the building and solar and that's increase. So it's kind of convoluting factors.

COMMISSIONER CLARK: And I guess just to kind of add an additional layer of question on top of that. We don't see any forecast for data centers. One of the things we're hearing about so much in the industry right now is the impact the data centers are going to have on load growth in our state. But I didn't -- I don't really see that as a driving part of the report. Is there any thoughts given to what's going to happen there?

MS. WU: Staff did issue the data request on each ten-year site plan utility. The impact of the data center, what it's all about and what currently have, but almost none of those utility they said is important factor for now.

COMMISSIONER CLARK: Okay. Interesting.

MR. McNULTY: Yes, Commissioner. I would agree with that. We have had questions that have gone out to the utilities and while data centers is on the radar and it's being looked

at carefully, there aren't any specific contracts of a large nature that have been identified. And everybody's interest -- they're looking at it carefully and there could be large increases there, but it's -- at this point, it's still being reviewed by the utilities themselves.

The other thing, when you look at what the EV growth is, the EV growth and consumption is concerned, those numbers that you see in the report are directly from the utilities. So it does include what their projects are for EV usage, the number of EVs, EV infrastructure, all that is taken directly from utilities.

COMMISSIONER CLARK: Right, yeah. And understand the utilities are the ones responsible for the forecasting. It just appears that we're not really looking at the most current -- they're not really look at the most current market trend. It seems to indicate a much flatter growth than what we're projecting.

MR. McNULTY: What we've seen year to year in major fluctuations betting upon which utility's reporting, they go up, they go down.

There's a lot of uncertainly about the EV markets that most people are very aware of. And these numbers that you see in this year's report can be changed significantly next year.

COMMISSIONER CLARK: That was kind of my point as well. Thanks.

CHAIRMAN LA ROSA: I'm going piggyback a little bit because you mentioned something that I've got jotted in my notes. So when I look at the executive summary, and understand kind of where the direction of this report goes, just my first thought comes in to say, okay, this is kind of a forecast planning document, right. I'm looking at this to say, okay, you know what should we expect coming in the coming years. And most, you know, analysis that I review, financial or business, there's always kind of a trending sector influence. And you mentioned data centers, right, great point.

You know, my thought was -- is to better understand where is the industry going and what should we expect to ultimately see? Now I know we're starting to have a little bit of those discussions. Of course we had some of those discussion in internal affairs.

We've also, you know, been asked to assemble a report on advanced nuclear, right. So my thoughts were -- and I've had a little bit of discussion with staff on, can we add to the executive summary an area, maybe it's towards the end, that just starts to talk about what the emerging technologies are? What we can maybe come to expect as things come down the road? My hope is that in the '25 report, when we look at it, we can maybe kind of narrow in on a few things, right. Maybe where technology is being impactful. I think that there's actually information in here that is reported that we could probably pull out and analyze and say, hey, what are the emerging trends of why some of the decisions are being made? Some of those are, frankly, technology driven. It could be on the generation side, it could be on the enhancement side of the grid or even things that we're already approving on a monthly basis.

So I'd like to see if we can maybe kind of rehash and re-address the executive summary to include something that refers to emerging markets to kind of lead us into '25. And my

hope is that as the '25 report starts to get worked on next year, we can kind of get into some of that micro data, that micro information from some of the companies.

So I've kind of had that discussion maybe similar to how you talked about data centers. Data centers is something obviously we're talking about industry wide. I don't know what the impact -- and I agree with staff saying, hey, we don't necessarily know. That's similar to what we've heard. But at the end of the day, I still think that we should maybe highlight that that is something that may be impacting us. And '24 might -- or '25 might look very different from '24.

So I'm prepared -- and I don't want to jump in front of anyone, so I certainly want to hear everyone's thoughts and comments. I'm prepared to say, hey, can we address at least the executive summary aspect of it? I do not question whether this is suitable or not, I do believe that this report is very suitable and it's very well done with a lot of depth and detail.

And as I read it, I understand clearly.

But what I -- maybe what I see that we maybe missed is what does the future look like, right? What should we expect? Again, when I'm looking at a forecast or a planning document, that's just kind of what I would expect to see in that. At least from a summary perspective say, oh, okay, this is what we may see coming down the road.

So I guess as I kind of give those comments, is that digestible? Is that doable before this report is due?

MR. FUTRELL: Yeah. Mr. Chairman, I think we certainly understand kind of where you want to maybe enhance the executive summary with recognition of some new emerging trends, technologies, new load, things like that. And then next year, go into a little more depth and develop some of these topics a little more robustly and maybe rebalance the report a little bit next year.

CHAIRMAN LA ROSA: Uh-huh.

MR. FUTRELL: That's kind of what you're looking for?

CHAIRMAN LA ROSA: A hundred percent. And I say this often, that, you know, the next

years are going to look very different than the last ten years, right. And I think that's mainly because of technology. So if we can maybe start to kind of take the report in that direction, I would feel good about it.

MR. FUTRELL: Sure. We can do that. We can bring it back to certainly something along those lines if that's what the Commission would like to see. We can develop a -- in the executive summary, bring it back to the December IA. We've got plenty of time to do that. And then with this direction, kind of how we want to look at some new things next year and develop those.

CHAIRMAN LA ROSA: Okay. Commissioners, I'm not trying to take everyone's time. And Commissioner Clark, kind of teaming up on that, so I wanted to double down on it.

Mr. Fay.

COMMISSIONER FAY: Mr. Chairman, just a quick question. So you were saying that you would take the -- so we have the executive summary portion and then we kind of have the whole review layout. You would take the data that's in here and just have staff sort of

extract some of that to look at maybe where the future's going? Or were you saying in a future, like, report, you'd want them to include data about --

CHAIRMAN LA ROSA: Both.

COMMISSIONER FAY: Okay.

CHAIRMAN LA ROSA: Yeah. And I think there's some data -- I mean, even just looking at the charts that they'll pull from to say, hey, this is kind of what's happening, you know, in all of the companies, right, and this is what's trending with all of the companies. I'll let staff make that determination of how granular they can ultimately get with that, but at minimum, to see kind of a forward-looking statement to say, this is what we expect to come in coming years and what we would look, as an agency, to dig deeper into.

COMMISSIONER FAY: Yeah, I mean, I would wholeheartedly support that. I think to your point, we see a lot of -- you know, we're so focused on Florida and what Florida's doing and then we engage on a national level with energy. And I know we all sit on different committees. You see these trending components that come

forward and sometimes you hear kind of the same talking points about those components from all different folks and I think a data-driven analysis as to where we're going is probably much more relevant to us as a commission than maybe right now if this thing -- you know, some form of -- I mean, look, we went nuclear, coal, natural gas, solar, now nuclear is back at the discussion. And, you know, some of the same folks, I think, that were critiquing that generation when it was out there now fully support it because it's a form of clean energy.

So I think what the data shows is much more persuasive to us. And I appreciate you raising this. And I don't know how easy it is to do in the future, but assuming it's able to be the pulled from what the utilities provide, I would love to see that.

COMMISSIONER CLARK: If I could add on, Mr. Chairman. My whole -- that's kind of my whole point is I don't want someone to look at this report, you know, a year from now that maybe doesn't have the understanding that we do and say, well, they didn't even address this, this and this. What about this? Everybody

knew this was coming. We saw this but it's not even addressed. And I get what forecasting is. I understand how local gas works, but at the same time, I think -- I loved your concept, emerging trends. If we just added one section in there, defined it as emerging trends and say, hey, we don't know what's going to happen in these arenas, but here's some things we've noticed.

And especially -- go back to the EV thing, that emerging trend is very recent because, you know, 12 months ago, it was actually trending upward. But now it's suddenly taken a different turn. So I think we need to be able to incorporate that information into the report.

CHAIRMAN LA ROSA: Further thoughts or questions?

Can I go to staff? Braulio?

MR. BAEZ: One thought, the -- having the report include a better focus on emerging trends, I think, is appropriate. I mean, it's something that we can do. We can ask the -- certainly ask the questions of the utilities. I do want to distinguish -- at least in my

mind, there's a distinction between what is -- what can be identified as an emerging trend and the decision horizons that are poured into the forecasting. And certainly, I mean, we have a finite horizon here, it's a ten-year horizon.

I would give you the example, even the inkling of a decision as to emerging, for instance, nuclear technology. It's been mentioned a couple if times and that's something that's on everybody's radar and certainly top of everyone's mind. The -- it is possible, right, that that -- that that decision, even driven by the emergence of the trend or the technology, doesn't show up on a -- so the distinction between us forward-looking as the staff, as the agency, even as the utilities taking on the questions and thinking on them is something that doesn't necessarily appear in terms of what the generation decisions are for a particular ten-year period. It won't -- it won't show up on what they're planning. But if that distinction is true, and I would look at the engineers, I guess, to either confirm that -- so we're adding a forward-looking section, is

something different than driving a forward-looking planning of -- at least for the period that we're studying. If that makes sense.

CHAIRMAN LA ROSA: And that's one of my thoughts -- and frankly, good consultation from Mark -- was to include that in the executive summary.

MR. BAEZ: Right. No, no. I think that's the place to be. I mean, how much of it becomes appropriate to pour into the general -- into the planning document proper, that -- circumstances will dictate that. But we also -- I guess in my mind, to keep the distinction in mind. We can look 20 years into the future. We can look 15 or so on, but this has a finite -- this sort of captures more real planing that's taking place. There's very little -- although it does shift, because I think Commissioner Clark's point's well taken, the forecasting may shift and so on, doesn't necessarily translate into -- like you're not going to see nuclear plants now all of a sudden start showing up. Because they're an emerging technology. That horizon's a little longer.

CHAIRMAN LA ROSA: Yeah.

MR. BAEZ: And it extends a little further beyond possibly. Again, we're not driving the planning decisions themselves. But I just wanted to raise that distinction in terms of expectations.

CHAIRMAN LA ROSA: Yeah. And I think that's well understood. I mean, I don't expect us to see a completely different report next year influencing the markets. I'm not trying to do that. You know, I don't think any of us are.

MR. BAEZ: I appreciate that. I do.

CHAIRMAN LA ROSA: You know, I'm just trying to report back on what we've seen and what we think may have an influence because of what's being discussed, what's being, you know, studied and is there advancement in that? And maybe there's not, right, and maybe that's where a comparison of a '25 report to a '26 report looks like there isn't any advancement. I don't know.

MR. BAEZ: It may change. I mean, I don't think anyone can sit here and say what it's going to look like --

CHAIRMAN LA ROSA: Yeah.

MR. BAEZ: -- with any great accuracy.

CHAIRMAN LA ROSA: What I do know is I've heard more about small modular reactors, nuclear reactors in 2024 than I ever have in my entire life.

MR. BAEZ: You and me both.

Thank you.

CHAIRMAN LA ROSA: Yeah, no, thank you. Any further discussion or thoughts?

Commissioner Fay.

COMMISSIONER FAY: I just want to know when Commissioner Clark's going to get a cyber truck.

CHAIRMAN LA ROSA: That's not in this particular forecast.

COMMISSIONER CLARK: I don't see that in the forecast.

CHAIRMAN LA ROSA: We can make sure that's not included. I'll take that bet.

MR. BAEZ: This is what I'm talking about.

CHAIRMAN LA ROSA: Any further thoughts or questions?

Okay. So I guess the plan then is that we'll just move this to the December internal

affairs meeting?

MR. BAEZ: Yeah.

CHAIRMAN LA ROSA: All right. So we'll move the ten-year site plan to the December internal affairs. Let's then move -- thank you. I guess I can dismiss staff. So thank you.

Let's move to the '24 annual report, Activities Pursuant to the Florida Energy Efficiency and Conservation Act.

Staff, I'll turn it over to you to let us know a little bit about how the speaker report turned out.

MR. PREWETT: Good morning, Commissioners, I am Devon Prewett with the Division of Economics. Item two is a draft of the annual report on Activities Pursuant to the Florida Energy Efficiency and Conservation Act, also know as the FEECA report. Section 366.82 subsection 10 Florida Statutes requires the Commission to submit this report annually to the Governor and to the legislature by March 1st. This report summarizes each utility's achievements towards meeting goals for the 2023 calendar year and the cost

recovery for the related programs. We also have a placeholder or placeholder entries for three orders that will be issued in the near future.

Staff is seeking approval of this FEECA report and asks for the ability to correct any scrivener's errors that are identified. In addition, we request permission to work with the Chairman and Executive Director's offices on the distribution letters that go with this report to the Governor and other parties.

Staff is available for any questions. Thank you.

CHAIRMAN LA ROSA: Commissioners, questions?

Commissioner Clark.

COMMISSIONER CLARK: Yes, just one question. Any time you highlight something in a report, that catches my eye really quick. On page 14, you highlighted the proposal, the upcoming action, I guess, the Commission will be taking in December. We're going to be, I guess, finishing up the -- analyzing the FPL on-call program. And I guess this reflects that that decision has not been made and that's

kind of what this one's waiting on; is that right?

MR. PREWETT: Yes, that's correct.

COMMISSIONER CLARK: If the Commission were to approve that program, would that approval be incorporated into this document?

MR. PREWETT: Yes. The -- we'll change the order number and remove the highlighting once that order is passed.

COMMISSIONER CLARK: Right. But the program itself, so -- and I realize this is a review back, but we do list things that the Commission is -- excuse me, that the utilities are doing towards their conservation goals. Would that be included in the report?

MR. BARRETT: Commissioner, the report itself is historic. It's primarily about 2023. The open docket on the DSM plan is a forward-looking document.

COMMISSIONER CLARK: Okay.

MR. BARRETT: So I believe the answer would be no.

COMMISSIONER CLARK: Okay.

MR. BARRETT: So we'll cite to the order to let you know this occurred. The footnote

above that has all of the other orders listed, Tampa Electric, Duke --

COMMISSIONER CLARK: Right.

MR. BARRETT: -- et cetera. So for completeness, we would simply include the FPL order. And the takeaway there is that is forward-looking.

COMMISSIONER CLARK: Okay. Great. Thank you. Appreciate that.

CHAIRMAN LA ROSA: Commissioners, further questions?

I've just got kind of a quick thought. In '23, we changed the rule to streamline information captured from the utilities to staff. Is that apparent, helpful? Any kind of feedback on that from that rule change to receiving the data for this report?

MR. BARRETT: Well, in this same section of the report, we did discuss that the goal setting for all of the utilities took place earlier this year, a multi-day hearing, I'm sure you remember.

CHAIRMAN LA ROSA: Sure.

MR. BARRETT: That hearing, the revamped rule was the basis for the decisions made in

that proceeding and it's forward-looking, so --

CHAIRMAN LA ROSA: Excellent.

Commissioners, any further thoughts or questions?

Seeing none, I'll open the floor for a motion.

COMMISSIONER CLARK: Move to approve the report, Mr. Chairman.

COMMISSIONER GRAHAM: Second.

CHAIRMAN LA ROSA: I hear a motion, hearing a second.

All in favor, signify by saying yay.

(Members reply yay.)

CHAIRMAN LA ROSA: All right. If not, no.

(No response.)

CHAIRMAN LA ROSA: All right. Show the report passes. Thank you.

So let's move to number three on our agenda, report on Efforts to Reduce the Regulatory Assessment Fee for Telecom Companies.

MR. LONG: Morning, Commissioners. I'm Mark Long with IDM staff. Item three is the telecom RAF report for this year. Staff's seeking approval of the RAF report and I'll try

and answer any questions I can.

CHAIRMAN LA ROSA: And by far, our smallest report. So, Commissioners, are there questions?

COMMISSIONER FAY: I love this report.

CHAIRMAN LA ROSA: You can read it relatively quick.

Seeing no questions, I'll open the floor for a motion.

COMMISSIONER CLARK: Move to approve the report, Mr. Chairman.

COMMISSIONER GRAHAM: Second.

CHAIRMAN LA ROSA: Seeing a motion and seeing a second, all those in favor, signify by saying yay.

(Members reply yay.)

CHAIRMAN LA ROSA: Opposed, no.

(No response.)

CHAIRMAN LA ROSA: Show that the report passes. Thank you very much.

So let's now move to our item number five which is our Lifeline Assistance Report. Allow folks to get situated.

Ready when you are.

MS. DEAS: Good morning. Sakina Deas with

the Office of Industry Development and Market Analysis. I have filed this staff's draft 2024 Lifeline Report that goes to the Governor and the legislature. It details Lifeline participation and trends, regulatory actions impacting the Lifeline program as well as Lifeline awareness promotions in Florida.

And staff is requesting editorial privileges and -- so that we can address any non-substantive changes and numerical updates. And so we're seeking approval for this report. And we're available for any questions.

CHAIRMAN LA ROSA: Thank you.

Commissioners, are there any questions?

Commissioner Passidomo, you're recognized.

COMMISSIONER PASSIDOMO: Thank you. The only thing I just kind of wanted to bring to your attention, I'm sure you guys already know this, but just on page ten, we recently took that action, the show cause against Q LINK, so just if we -- you know, before this is officially issued, if you can update it. But that's --

MS. DEAS: I just talked about it.

COMMISSIONER PASSIDOMO: All right. Thank

you. That's all I have.

CHAIRMAN LA ROSA: Good point.

Any other thoughts, questions?

Okay. Let's open the floor for a motion.

COMMISSIONER CLARK: Move to approve the report, Mr. Chairman.

COMMISSIONER GRAHAM: Second.

CHAIRMAN LA ROSA: I hear a motion and hearing a second. All those in favor, signify by saying yay.

(Members reply yay.)

CHAIRMAN LA ROSA: Opposed, no.

(No response.)

CHAIRMAN LA ROSA: Show that the report is approved.

Thank you very much.

All right. So getting all of our reports out the way, I'll throw it over to our general counsel. General counsel report.

MR. HETRICK: Good morning, Chairman, Commissioners. I have no report today.

CHAIRMAN LA ROSA: Okay. All right. Let's go to our executive director.

MR. BAEZ: Thank you, Chairman. Good morning, again.

Just two quick things. The first is just looking into the next week after we get to the -- after we get past the Thanksgiving holiday, service awards December 3rd, along with a special agenda for the TECO rate case. And then begins the FPUC rate case service hearings, one virtual that very day and the next day in Fernandina Beach so that's a quick look forward.

Secondly, I wanted to take a point of personal privilege to pay tribute to someone we all know and who will be starting life as an extended PSC family member beginning next year. And I want to say, I do this at great peril because any of you who know Mary Macko know that she would be vehemently opposed to me doing this, albeit very gently so. Mary joined the Commission in 1990 and I first met Mary and her kind soul in 1994. At the time, she was holding down the fort for Commissioner Deason, which -- no mean feat, I would tell you. That was back in the old Fletcher building.

At the time, she -- to me, a new kid, you know, up from nowhere, in town and everything, she was this sunny, smiling and an efficient

presence then and she has never changed, as I'm sure many of you can attest. But Mary has a dark side. And mostly in the form of, you know, holiday baked goods. And my personal favorite, a monkey bread that's so devilishly good, okay, that it was banned. It was banned from all celebratory gatherings, certainly in the executive suite. Although this gave rise to probably the only known instance of Mary's insubordination. It was -- the ban was completely ignored, if it never happened.

She's not -- I don't think they were able to sneak her in or dupe her into being here. So, Mary, if you're listening, on behalf of all of us, I think we want to -- I would like to thank you for your service. I want to thank you especially for your calming presence in the various suites, I'm sure, and your commitment to the work of the agency as well as your kindness. My A1C prohibits me from thanking you for the monkey bread although I know it will be missed.

We wish you well. Great tennis and great grandchildren to come. I know she has plans. So we're really going to miss her. And she

will be here through the end of the year sporadically. Please reach out and say thanks and pay respects. So thank you, Chairman.

CHAIRMAN LA ROSA: Thank you. And thank you, Mary, for your service. And I think that's a great story of what makes this place so great is that when someone spends a significant part of their career here, it really makes this institution better.

MR. BAEZ: Yes.

CHAIRMAN LA ROSA: She is certainly one of them.

MR. BAEZ: I can't think -- personally, I've never been at the Commission where Mary wasn't there. And so -- and I told her this. And so it's kind of hard to picture a Commission without her. And there are, you know, few people that you can say that about, certainly that I can say that about, so it's great for her. We're capably staffed. I think, you know, it's not so much the work, but the soul of her and she was part of it. So we're going to miss her.

CHAIRMAN LA ROSA: Certainly. Certainly will be missed but good luck in future

endeavors and certainly well deserved time to --

MR. BAEZ: Absolutely. She has plans.

CHAIRMAN LA ROSA: Awesome.

Are there any further matters before us? Seeing none. Seeing none.

I'll say this is that it is Christmas coming. And there is a song of the month that will be named. And I will just leave it at that. It can be creative. I will be creative. So look forward to that as we'll -- you know, it's certainly a busy month before us next month so, of course, we'll all be on our toes, be ready for that.

But if there's nothing further before us, I see that this meeting is adjourned. Thank you all.

(Meeting adjourned at 10:13 a.m.)

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CERTIFICATE OF REPORTER

STATE OF FLORIDA

COUNTY OF LEON

I, Tracy Brown, certify that I was authorized to and did stenographically report the foregoing proceedings, and that the transcript is a true and complete record of my stenographic notes.

Dated this 1st day of December, 2024.

TRACY BROWN
tbrown567@comcast.net