I. Meeting Packet

State of Florida

Public Service Commission

INTERNAL AFFAIRS AGENDA

Tuesday – November 29, 2022

9:30AM

Room 148 - Betty Easley Conference Center

REVISED

1. Underground Facility Damage Prevention
   Mark Sweet, Executive Director Sunshine 811, John Kohnke, Domestic Security Coordinator, DFS/Division of State Fire Marshal (Attachment 1)

2. Draft 2022 Annual Report on Activity Pursuant to the Florida Energy Efficiency and Conservation Act (Attachment 2)

3. Draft 2022 Lifeline Assistance Report (Attachment 3)

4. Draft 2022 Report on Efforts to Reduce the Regulatory Assessment Fee for Telecommunications Companies (Attachment 4)

5. Recertification of Florida's Relay Program with the Federal Communications Commission (Attachment 5)

6. Update on the Federal Infrastructure Investment and Jobs Act and Summary of the Inflation Reduction Act (Attachment 6)

7. General Counsel's Report

8. Executive Director's report

9. 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

Overview Sunshine 811 Operations

Presented by Mark Sweet, Executive Director

Sunshine 811
SUNSHINE811.COM

Sunshine 811 was created to help protect Florida's underground infrastructure.

2.2 million
Incoming tickets

- Created by Florida Legislature in 1993 to administer the Underground Facility Damage Prevention and Safety Act to help protect Florida's underground facility infrastructure and ensure public safety.
- Last year, Sunshine 811 processed 2.2 million locate tickets and sent 15 million transmissions to our member companies.

We provide education on member and excavator responsibilities, Chapter 556 requirements and enforcing the law.

5,000+
Hours of education provided to industry professionals

2,427
Educational hours to enforcement and fire personnel

1.5 million
sunshine811.com pageviews where we provide info and resources on systems and services to help prevent buried utility damage

We look at the data.

23,846
Total damages reported
(11 per 1,000 tickets)

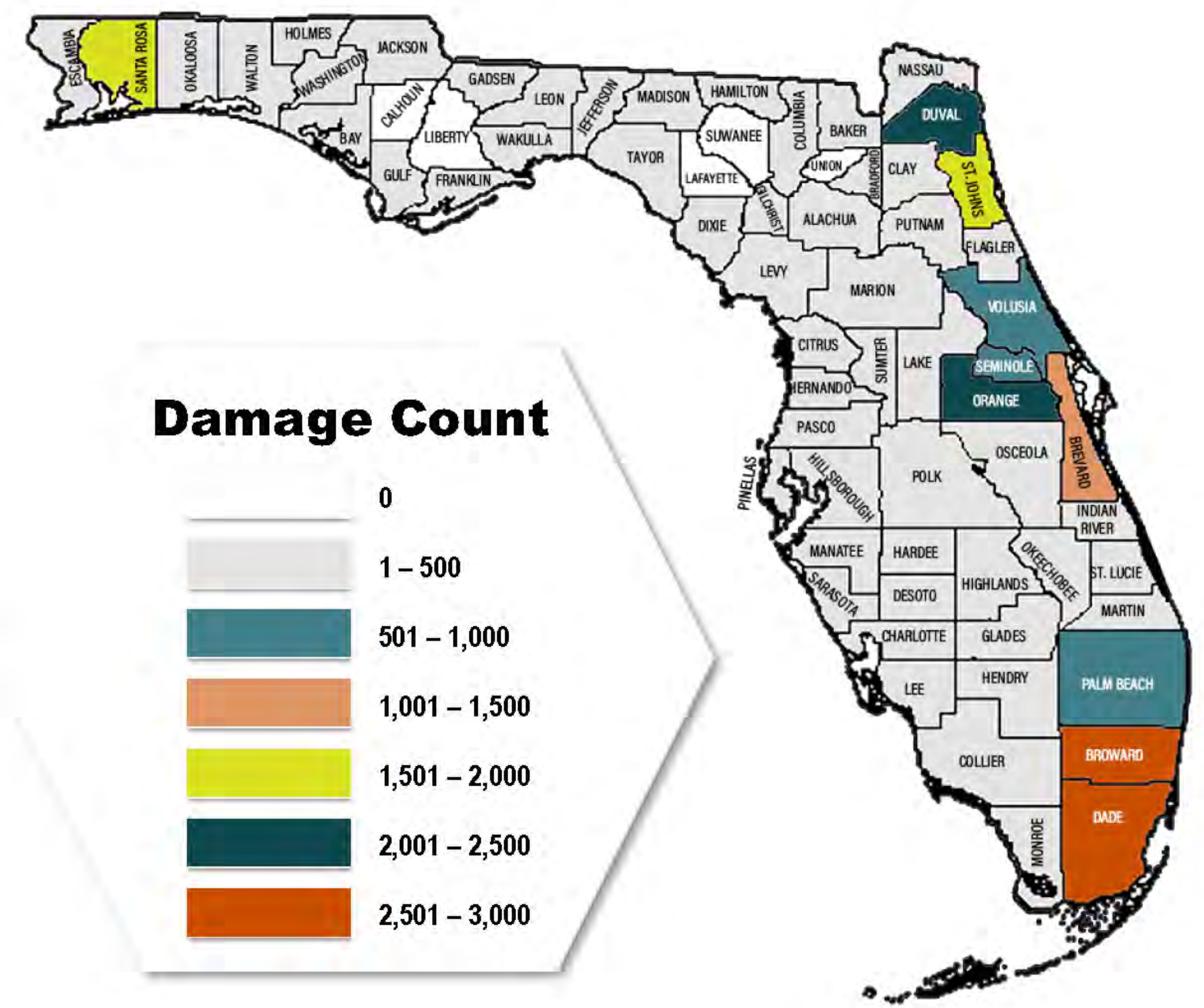
1,783
Total member and excavator noncompliance reports

68
Citations written
(23% decrease)

FLORIDA VIRTUAL PRIVATE DIRT

REPORTED DAMAGES FOR TOP 10 DAMAGING COUNTIES

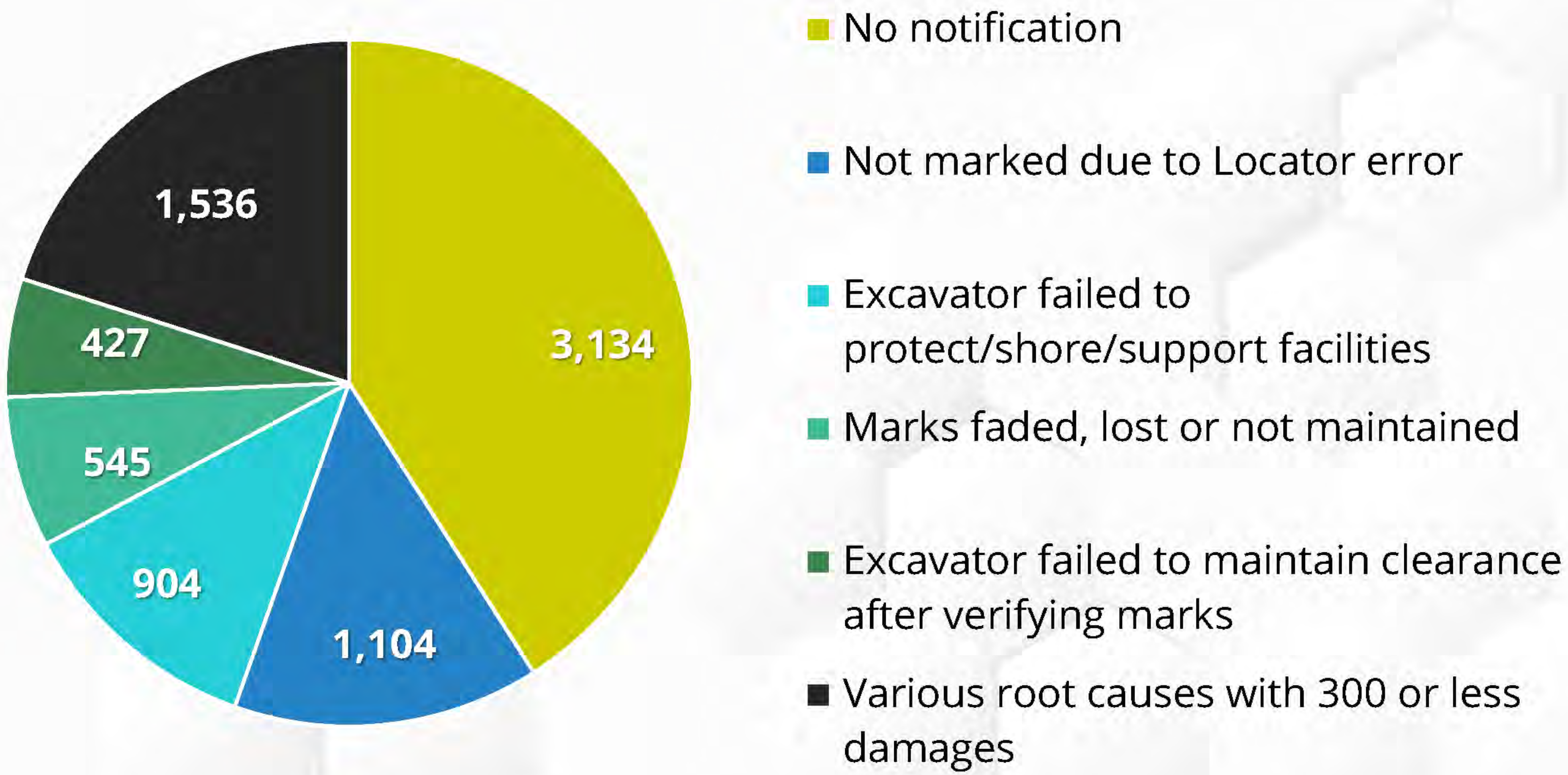
County	Damages
Broward	2,696
Dade	2,660
Palm Beach	2,411
Duval	2,114
Orange	2,110
St. Johns	1,805
Brevard	1,227
Volusia	940
Seminole	923
Santa Rosa	489



FLORIDA VIRTUAL PRIVATE DIRT (CONTINUED)

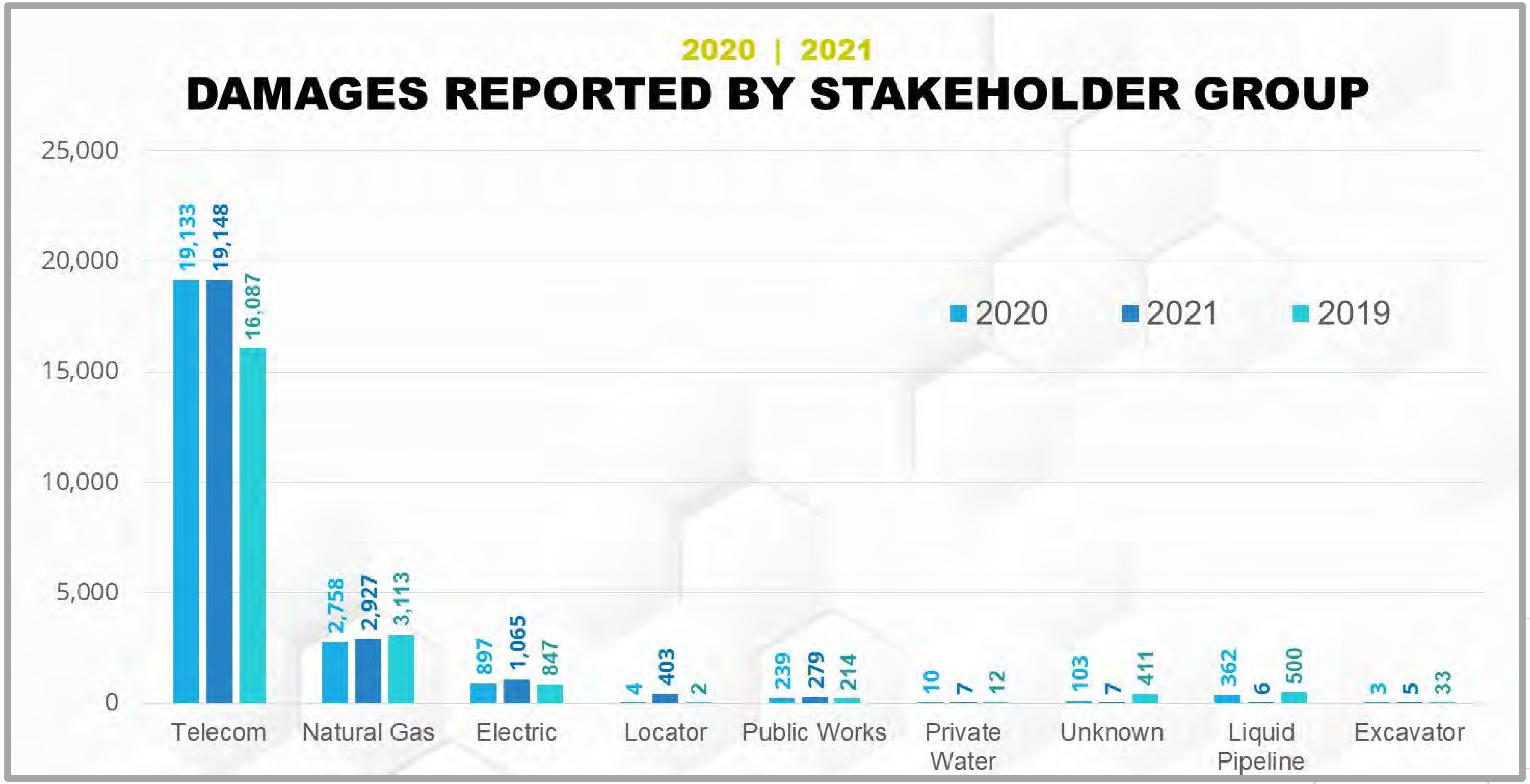
2021

ROOT CAUSES FOR REPORTED DAMAGES

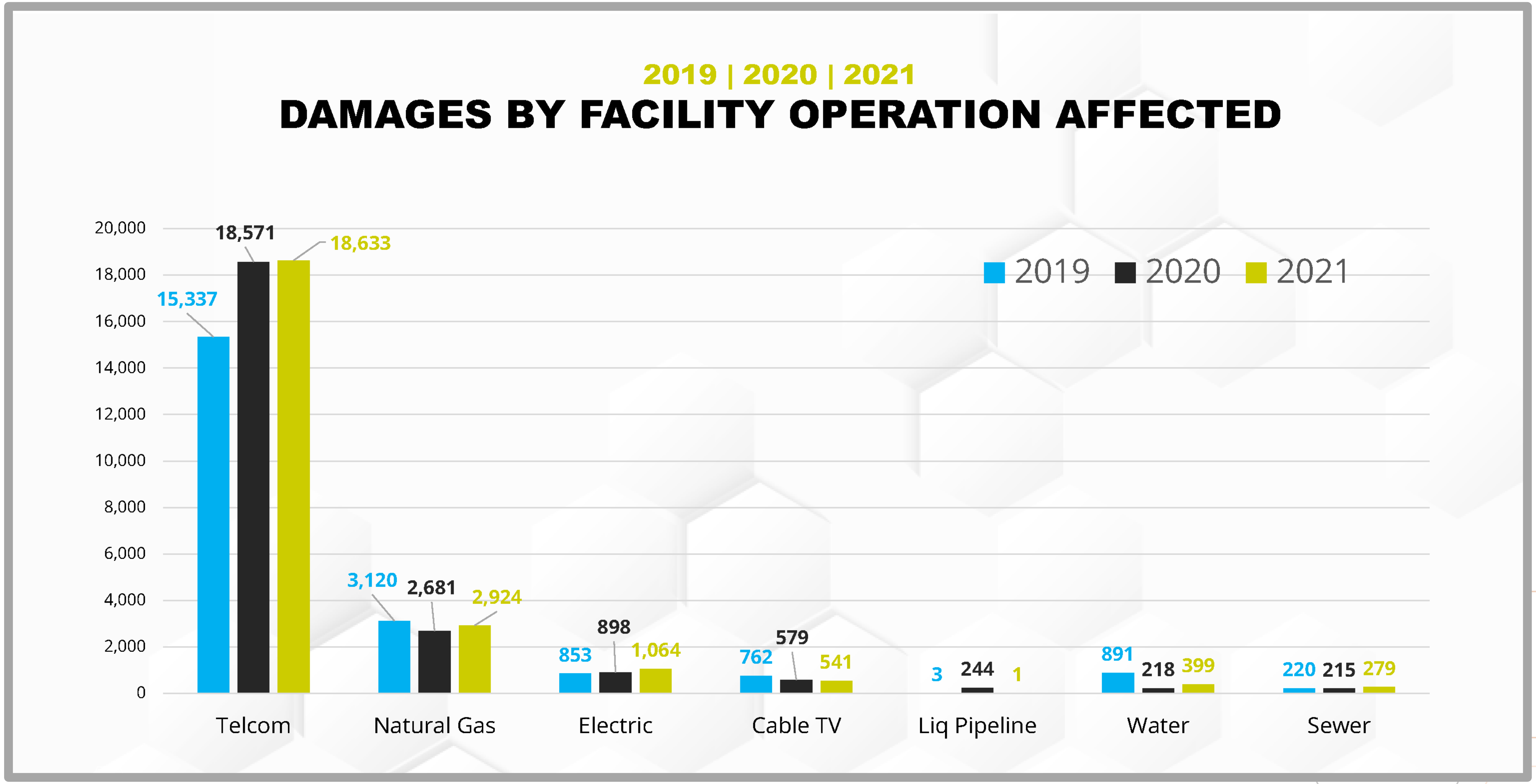


ROOT CAUSE UNKNOWNS
16,196

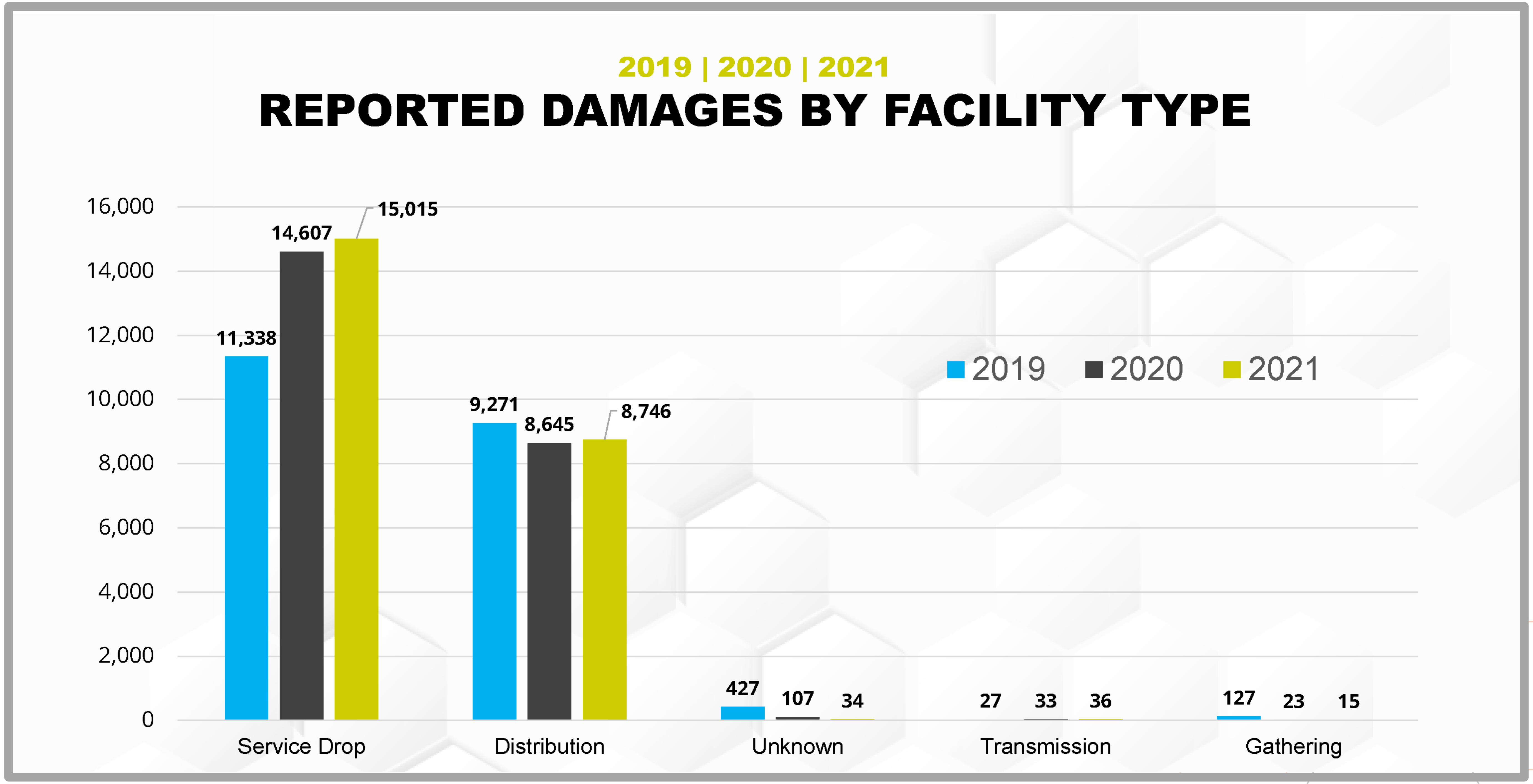
FLORIDA VIRTUAL PRIVATE DIRT (CONTINUED)



FLORIDA VIRTUAL PRIVATE DIRT (CONTINUED)

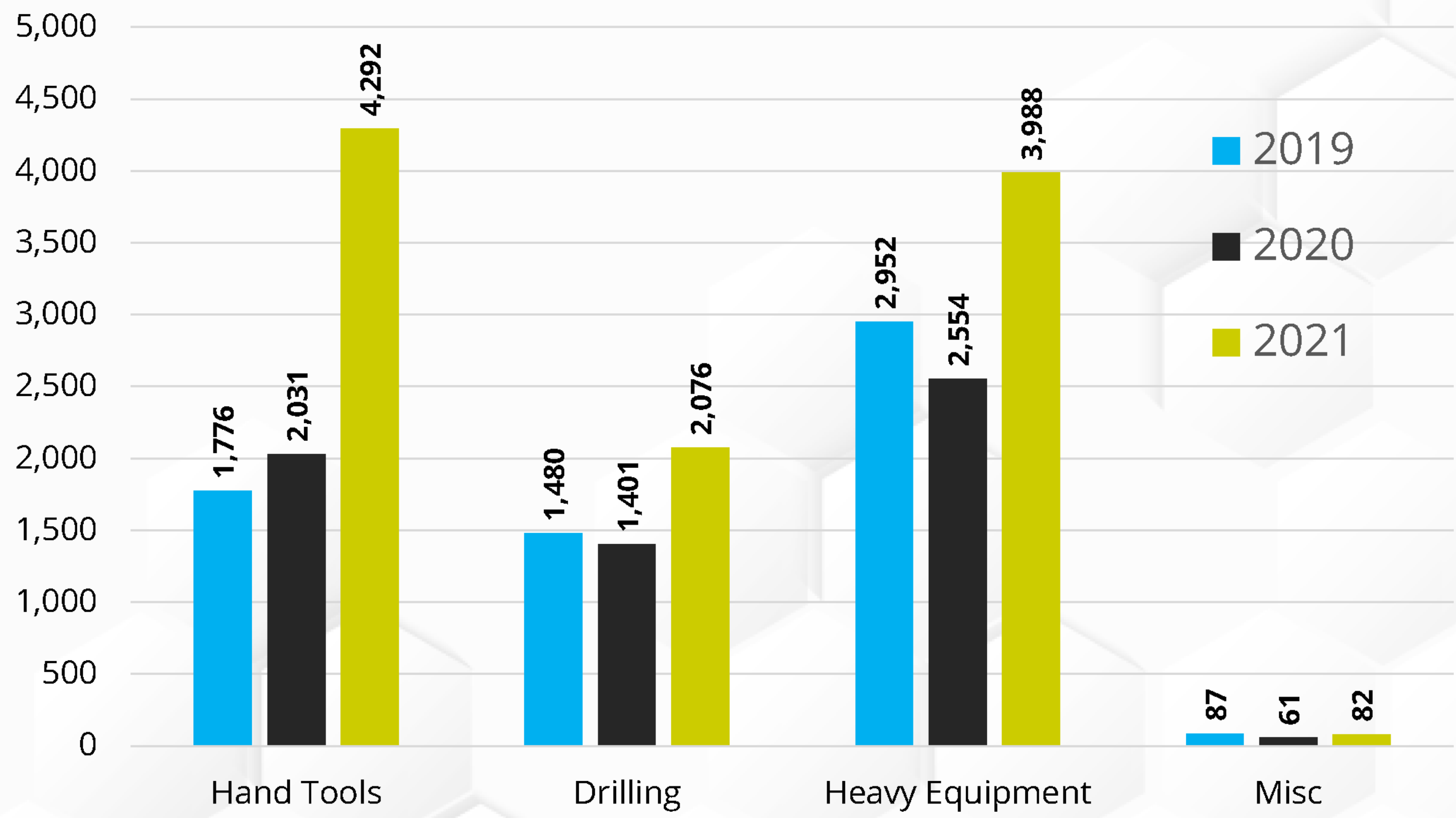


FLORIDA VIRTUAL PRIVATE DIRT (CONTINUED)



FLORIDA VIRTUAL PRIVATE DIRT (CONTINUED)

2019 | 2020 | 2021
REPORTED DAMAGES BY EQUIPMENT TYPE



WORK TYPE UNKNOWNS		
2019	2020	2021
1,776	2,031	4.292

DRILLING
Auger, Directional Drilling, Drilling, Boring, Hand Tools

HAND TOOLS
Hand Tools,

HEAVY EQUIPMENT
Backhoe/Trackhoe, Bulldozer, Grader/Scraper, Trencher, Vacuum Equipment

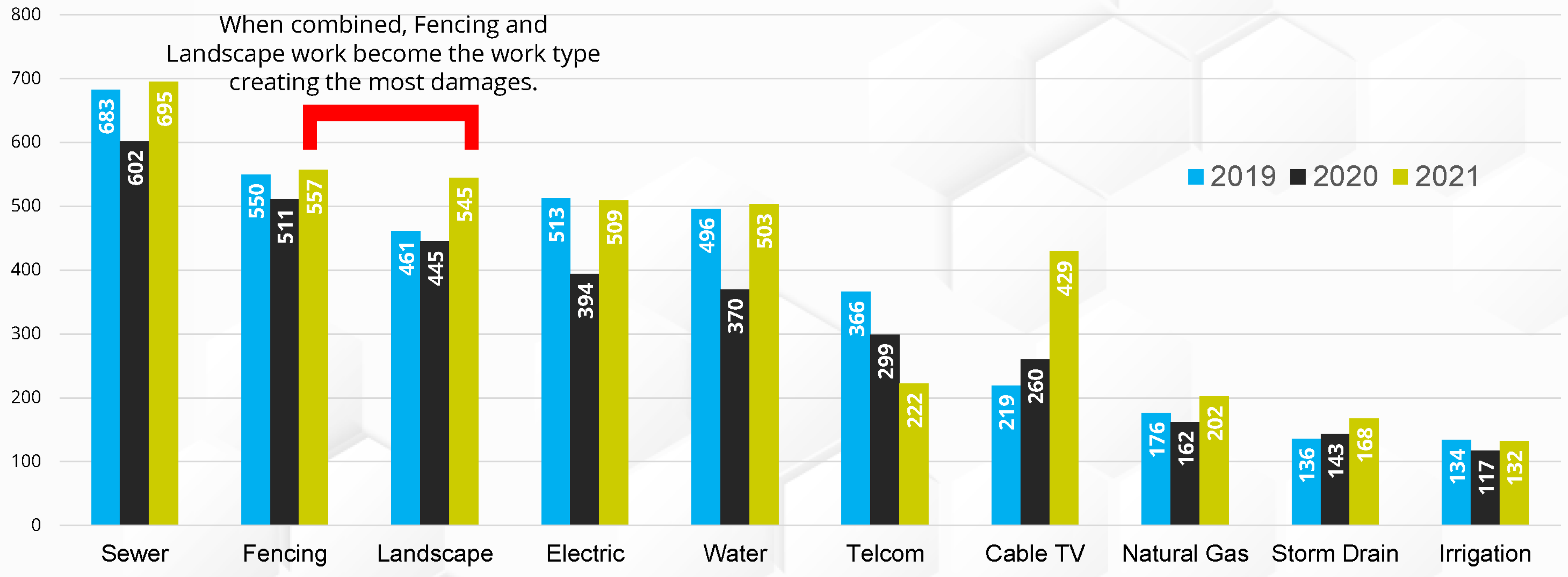
MISCELLANEOUS
Milling Equipment, Probing Device, Explosives, Farm Equipment

FLORIDA VIRTUAL PRIVATE DIRT (CONTINUED)

2019 | 2020 | 2021

DAMAGES BY WORK TYPE - Trend

WORK TYPE UNKNOWNS		
2019	2020	2021
16,525	17,462	19,148



NONCOMPLIANCE TOTALS
CALENDAR YEAR 2021

Member Noncompliance Reports	1,633
Excavator Noncompliance Reports	150
Total Noncompliance Reports	1,783

County	Excavator	Member
Bay	2	0
Brevard	0	82
Broward	2	132
Charlotte	1	4
Citrus	0	1
Clay	0	20
Collier	3	8
Dade	9	64
Desoto	0	15
Duval	12	12
Escambia	0	23
Flagler	1	22
Hernando	0	2
Highlands	0	12
Hillsborough	14	135
Indian River	1	27
Lake	3	64
Lee	2	17
Manatee	4	15

County	Excavator	Member
Marion	1	0
Martin	3	13
Nassau	1	5
Okaloosa	0	2
Okeechobee	0	2
Orange	15	313
Osceola	3	21
Palm Beach	10	126
Pasco	4	5
Pinellas	8	140
Polk	18	84
Putnam	2	1
Sarasota	4	74
Seminole	9	7
St. Johns	4	2
St. Lucie	12	22
Suwannee	0	2
Volusia	2	159

68

Total Citations Issued in 2021

23% decrease

Chapter 556, Florida Statutes, 2021 Annual Violation Report

	COUNTY	COUNTY #	UCN	CHARGE SEQ	OFFENSE DATE	STATUTE	STATUTE DESCRIPTION	NAME	ADDRESS	CITY/STATE/ZIP	$ DUE	$ PAID
1	BROWARD	6	062021IN017281A88810	PD	11/30/2021	556.105(1)	Notice of Proposed Excavation	URIOSTE, AGUSTIN	6021 180TH AVE N	LOXAHATCHEE, FL 33470	$ 510	$ 510.00
2	BROWARD	6	062021IN017262A88810	PD	11/30/2021	556.105(1)	Notice of Proposed Excavation	NOVOVIC, MILIC MICO	2309 NE 37TH DR	FORT LAUDERDALE, FL 33308	$ 510	$ 510.00
3	BROWARD	6	062021IN017249A88810	PD	12/6/2021	556.109(2)	Falsely notify system of emergency situation	BOJAR, CHRISTIAN THOMAS	2958 NW 24TH TER	BOCA RATON, FL 33431	$ 510	$ 510.00
4	BROWARD	6	062021IN017210A88810	PD	12/2/2021	556.105(1)	Notice of Proposed Excavation	SALADIN, JOSE LUIS	651 NW 100 TER	MIAMI, FL 33150	$ 510	$ 510.00
5	BROWARD	6	062021IN017208A88810	PD	12/1/2021	556.105(1)	Notice of Proposed Excavation	HUFFER, MICHAEL DAVID	7548 NW 3 CT	PLANTATION, FL 33317	$ 510	$ 510.00
6	BROWARD	6	062021IN017207A88810	PD	11/22/2021	556.105(6)	Avoidance of Excavation	Frye, Gregory Alan	3416 W 90th St	Hialeah, FL 33018	$ 505	$ -
7	BROWARD	6	062021IN017050A88810	PD	11/1/2021	556.105(1)	Notice of Proposed Excavation Enhanced Penalty	GREEN, ERIC ANTHONY	1605 NW 7TH PL	FORT LAUDERDALE, FL 33311	$ -	DISMISS
8	BROWARD	6	062021IN017049A88810	PD	11/1/2021	556.105(12)	CEASE EXCAVATION DAMAGE TO UNDERGROUND FACILITY	GREEN, ERIC ANTHONY	1605 NW 7TH PL	FORT LAUDERDALE, FL 33311	$ 505	$ 505
9	BROWARD	6	062021IN016731A88810	PD	11/22/2021	556.105(1)	Notice of Proposed Excavation	Frye, Gregory Alan	3416 W 90th St	Hialeah, FL 33018	$ 505	$ -
10	BROWARD	6	062021IN016580A88810	PD	11/15/2021	556.105(1)	Notice of Proposed Excavation Enhanced Penalty	GREEN, ERIC ANTHONY	1605 NW 7TH PL	FORT LAUDERDALE, FL 33311	$ -	DISMISS
11	BROWARD	6	062021IN016579A88810	PD	11/17/2021	556.109(2)	FALSELY NOTIFY SYSTEM OF EMERGENCY SITUATION	GREEN, ERIC ANTHONY	1605 NW 7 PLACE	FORT LAUDERDALE, FL 33311	$ 505	$ 505
12	BROWARD	6	062021IN015897A88810	PD	10/4/2021	556.109(2)	Falsely notify system of emergency situation	ILINETS, VIKTOR	317 S 17TH AVE	HOLLYWOOD, FL 33020	$ 505	$ 505
13	BROWARD	6	062021IN015896A88810	PD	10/4/2021	556.105(12)	Cease Excavation Damage to Underground Facility	ILINETS, VIKTOR	317 S 17TH AVE	HOLLYWOOD, FL 33020	$ 505	$ 505
14	BROWARD	6	062021IN015895A88810	PD	10/4/2021	556.105(1)	Notice of Proposed Excavation	ILINETS, VIKTOR	317 S 17TH AVE	HOLLYWOOD, FL 33020	$ 505	$ 505
15	BROWARD	6	062021IN015894A88810	PD	10/4/2021	556.105(12)	Cease Excavation Damage to Underground Facility	Seefried, Bryan Michael	13960 SW 22nd PL	Davie, FL 33325	$ 505	$ 505
16	BROWARD	6	062021IN015893A88810	PD	10/4/2021	556.105(1)	Notice of Proposed Excavation	Seefried, Bryan Michael	13960 SW 22nd PL	Davie, FL 33325	$ 505	$ 505
17	BROWARD	6	062021IN015671A88810	PD	10/12/2021	556.105(1)	Notice of Proposed Excavation	Morales, Harold Antonio	2401 NW 10th AVE	Miami, FL 33127	$ 505	$ -
18	BROWARD	6	062021IN015669A88810	PD	10/12/2021	556.105(6)	Avoidance of Excavation	VINCZE, TERRY LEE	800 SE 7TH AVE	POMPANO BCH, FL 33060	$ 510	$ 510
19	BROWARD	6	062021IN014571A88810	PD	9/20/2021	556.105(12)	Cease Excavation Damage to Underground Facility	Medina, Jorge	4820 SW 12th CT	Fort Lauderdale, FL 33317	$ 505	$ -
20	BROWARD	6	062021IN014570A88810	PD	9/22/2021	556.105(1)	Notice of Proposed Excavation	Medina, Jorge	4820 SW 12th CT	Fort Lauderdale, FL 33317	$ 505	$ -
21	BROWARD	6	062021IN014447A88810	PD	9/27/2021	556.105(12)	Cease Excavation Damage to Underground Facility	BUTLER, THOMAS JOSEPH III	5990 NE 18 TERR	FORT LAUDERDALE, FL 33308	$ 510	$ 510
22	BROWARD	6	062021IN011377A88810	PD	8/3/2021	556.109(2)	FALSELY NOTIFY SYSTEM OF EMERGENCY SITUATION	BAKER, DENNIS	3888 CYRESS LAKE DR	LAKE WORTH, FL 33467	$ 510	$ 510
23	BROWARD	6	062021IN009740A88810	PD	6/22/2021	556.105(12)	Cease Excavation Damage to Underground Facility	MORAN, JOSEPH MARTIN	4964 SW 24TH AVE	FORT LAUDERDALE, FL 33312	$ -	DISMISS
24	BROWARD	6	062021IN009739A88810	PD	6/22/2021	556.105(1)	Notice of Proposed Excavation	MORAN, JOSEPH MARTIN	4964 SW 24TH AVE	FORT LAUDERDALE, FL 33312	$ 505	$ 505
25	BROWARD	6	062021IN009737A88810	PD	6/29/2021	556.105(1)	Notice of Proposed Excavation	EDWARDS, ARDEN	2644 NW 6 ST	POMPANO BEACH, FL 33069	$ 510	$ 510
26	BROWARD	6	062021IN009730A88810	PD	6/22/2021	556.105(12)	Cease Excavation Damage to Underground Facility	COLUZZO, MARTO DOMINGO	1915 CEDAR CT	WESTON, FL 33327	$ 590	$ -
27	BROWARD	6	062021IN009729A88810	PD	6/22/2021	556.105(1)	Notice of Proposed Excavation	COLUZZO, MARTO DOMINGO	1915 CEDAR CT	WESTON, FL 33327	$ 510	$ 510
28	BROWARD	6	062021IN008918A88810	PD	6/9/2021	556.105(12)	CEASE EXCAVATION DAMAGE TO UNDERGROUND FACILITY	PENA, ARMELIO	510 NW 24TH AVE	MIAMI, FL 33125	$ 505	$ -
29	BROWARD	6	062021IN008917A88810	PD	6/9/2021	556.105(1)	Notice of Proposed Excavation	Pena, Armelio	510 NW 24th AVE	Miami, FL 33125	$ 505	$ -
30	BROWARD	6	062021IN008916A88810	PD	6/8/2021	556.105(1)	Notice of Proposed Excavation	Hewitt, Justin Carl	9006 US 1 Highway 1N	Saint Ausgtine, FL 32095	$ 505	$ 500

CITATIONS (CONTINUED)

	COUNTY	COUNTY #	UCN	CHARGE SEQ	OFFENSE DATE	STATUTE	STATUTE DESCRIPTION	NAME	ADDRESS	CITY/STATE/ZIP	$ DUE	$ PAID
34	BROWARD	6	062021IN007485A88810	PD	5/3/2021	556.105(12)	Cease Excavation Damage to Underground Facility	SAGER, JUSTIN ALEXANDER	3098 QUANTUM LAKES DR	BOYNTON BEACH, FL 33426	$ 510	$ 510
35	BROWARD	6	062021IN006545A88810	PD	4/30/2021	556.105(1)	Notice of Proposed Excavation	MARROQUIN, ANDRES	72 FERNE LN	LAKE WORTH, FL 33467	$ 505	$ 505
36	BROWARD	6	062021IN006544A88810	PD	4/30/2021	556.105(12)	Cease Excavation Damage to Underground Facility	MARROQUIN, ANDRES	72 FERNE LN	LAKE WORTH, FL 33467	$ 505	$ 505
37	BROWARD	6	062021IN006543A88810	PD	4/28/2021	556.109(2)	Falsely notify system of emergency situation	Jardines, Jorge Eliud	2712 12th SQ SW	Vero Beach, FL 32968	$ 505	$ 505
38	BROWARD	6	062021IN006208A88810	PD	4/21/2021	556.105(1)	Notice of Proposed Excavation	RIVERA, JEYSEN ORLANDO	5735 MANGO RD	WEST PALM BEACH, FL 33413	$ 510	$ 510
39	BROWARD	6	062021IN005871A88810	PD	4/7/2021	556.105(1)	Notice of Proposed Excavation	MORENO, DANNY	14137 SW 9TH ST	MIAMI, FL 33184	$ 510	$ 510
40	BROWARD	6	062021IN005870A88810	PD	4/7/2021	556.105(12)	Cease Excavation Damage to Underground Facility	MORENO, DANNY	14137 SW 9TH ST	MIAMI, FL 33184	$ 510	$ 510
41	BROWARD	6	062021IN005619A88810	PD	3/19/2021	556.105(12)	Cease Excavation Damage to Underground Facility	PACIFICO, JORDAN MARTIN	11940 NW 21ST STREET	PEMBROKE PINES, FL 33026	$ 510	$ 510
42	BROWARD	6	062021IN005618A88810	PD	3/19/2021	556.105(1)	Notice of Proposed Excavation	PACIFICO, JORDAN MARTIN	11940 NW 21ST STREET	PEMBROKE PINES, FL 33026	$ 510	$ 510
43	BROWARD	6	062021IN002727A88810	PD	2/19/2021	556.105(6)	Avoidance of Excavation	Acosta, Luis A	1811 NE 5th ST	Boyton Beach, FL 33435	$ 505	$ -
44	BROWARD	6	062021IN001954A88810	PD	2/8/2021	556.105(1)	Notice of Proposed Excavation	BLAUBACH, ERIK FEDERICO	1294 SABAL TRL	WESTON, FL 33327	$ 505	$ 505
45	BROWARD	6	062021IN001472A88810	PD	1/13/2021	556.105(6)	Avoidance of Excavation	MEDINA, UBALDO	1300 W 84TH STREET	HIALEAH, FL 33014	$ 510	$ 510
46	BROWARD	6	062021IN001471A88810	PD	1/21/2021	556.105(1)	Notice of Proposed Excavation	MORALES, ALDO JOEL	2490 NW 96 STREET	MIAMI, FL 33147	$ 510	$ 510
47	BROWARD	6	062021IN001236A88810	PD	1/19/2021	556.105(6)	Avoidance of Excavation	RIVERO, GUSTAVO	3700 GALT OCEAN DR	FORT LAUDERDALE, FL 33308	$ 590	$ -
48	BROWARD	6	062021IN000320A88810	PD	1/6/2021	556.105(1)	Notice of Proposed Excavation	WALLACE, STEPHEN	4051 NE 13 AVE	OAKLAND PARK, FL 33334	$ 505	$ 505
49	BROWARD	6	062021IN000282A88810	PD	1/5/2021	556.105(12)	Cease Excavation Damage to Underground Facility	GAYLE, DENROY M	19601 NW 24TH AVE	MIAMI GARDENS, FL 33056	$ 505	$ 505
50	BROWARD	6	062021IN000281A88810	PD	1/5/2021	556.105(1)	Notice of Proposed Excavation	GAYLE, DENROY M	19601 NW 24TH AVE	MIAMI GARDENS, FL 33056	$ 505	$ 505
51	COLLIER	11	112021IN000235AXXXXX	PD	3/15/2021	556.105(1)	Fail to Notify Before Excavation	Hernandez, Rafael	4115 3Rd Street West	Lehigh Acres, FL 33971	$ 505	$ 504.55
52	INDIAN RIVER	31	312021IN001169AXXXXX	PD	8/8/2021	556.105(5)	FAILURE TO STOP EXCAVATION WITHOUT MARKERS	GARCIA, LUIS JAIME	114 S BROADWAY	FELLSMERE, 32948	$ 537.23	$ 537.23
53	INDIAN RIVER	31	312021IN000677AXXXXX	PD	4/30/2021	556.107(1)	UNDERGROUND FACILITY VIOLATION	RUEHMAN, MICHAEL J	13655 85TH ST	FELLSMERE, 32948	$ 535.41	$ 535.41
54	MANATEE	41	412021MO000544MIAXMA	PD	2/18/2021	556.107.3	EXCAVATION PREMATURE WITHOUT MARKERS OR CLEARANCE	MORI, CARLOS	15728 HIGH BELL PLACE	BRADENTON, FL 34212	$ 505	$ 505
55	MANATEE	41	412021CO003633CIAXMA	PD	11/2/2021	556.107.1	FAILURE TO PROVIDE NOTICE TO SUNSHINE STATE-ONE CALL BEFORE	MYERS, SCOTT	1714 INDEPENDENCE BLVD	SARASOTA, FL 34234	$ 505	$ 505
56	ORANGE	48	482021IN000737000AOX	PD	10/12/2021	556.107(1)(A)	VIOLATION OF UNDERGROUND FACILITY DAMAGE PREVENTION & SAFET	MAIN, DAVID RONALD BURTON	6410 S ESMERALDA TER	LE CANTO, FL 34461	$ 2,500	$ 2,500
57	PASCO	51	2021IN000077INAXES	PD	3/19/2021	556.105(5)	UNDERGROUND FACILITY VIOLATION	Neat Underground Svcs, Inc	5231 Butte Street	LEHIGH ACRES, FL 33971	$ 6,718	DISMISS
58	POLK	53	532021IN001163A000BA	PD	9/3/2021	556.105.1	NO PROPER NOTICE OF PROPOSED EXCAVATION	HOWARD, FLOYD M	1510 BONNIE RD	PLANT CITY, FL 33565	$ 508	$ 508
59	ST. LUCIE	56	562021IN000039AXXXXX	PD	4/6/2021	556.105.1	FAILURE TO PROVIDE INFORMATION - EXCAVATION	LLANARES SOSA, CARLOS JESUS	11150 SW 211TH ST, APT 114	CUTLER BAY, FL 33189	$ 505	$ 505
60	ST LUCIE	56	562021IN000040AXXXXX	PD	4/6/2021	556.105.1	FAILURE TO PROVIDE INFORMATION - EXCAVATION	BRIZUELA MACIAS, ARAMIS	444 SW 4TH STREET, APT 401	MIAMI, FL 33130	$ 505	$ 505
61	DUVAL	16	162021IN002595AXXXMA	PD	2/26/2021	S556.105(5)(C)	EXCAVATION WITHIN A TOLERANCE ZONE	HALL, WILLIAM J	5913 JOY DRIVE S	JACKSONVILLE, FL 32244	$ 500	$ 505
62	DUVAL	16	162021IN002916AXXXMA	PD	3/4/2021	S556.105(1)(A)	EXCAVATION - FAILURE TO PROVIDE VALID INFORMATION	INFINITE COMMUNICATIONS	1855 CASSAT	JACKSONVILLE, FL 32211	$ 55	$ -
63	DUVAL	16	162021IN003392AXXXMA	PD	3/17/2021	S556.105(5)(C)	EXCAVATION WITHIN A TOLERANCE ZONE	BROWN, HENRY JR	276 PINE CROSSING STREET	WOODBINE, GA 31569	$ 500	$ 500
64	DUVAL	16	162021IN006678AXXXMA	PD	5/11/2021	S556.105(1)(A)	EXCAVATION - FAILURE TO PROVIDE VALID INFORMATION	BENAVIDEZ, ORTIZ R	13605 AVEBURY DRIVE #31	LANHAM, MD 20706	$ 505	$ 505
65	DUVAL	16	162021IN009351AXXXMA	PD	6/3/2021	S556.105(1)(A)	EXCAVATION - FAILURE TO PROVIDE VALID INFORMATION	J INSTALLATIONS	11767 MOUNTAIN WOOD LANE	JACKSONVILLE, FL 32258	$ 505	$ 505
66	DUVAL	16	162021IN013856AXXXMA	PD	9/22/2021	S556.105(1)(A)	EXCAVATION - FAILURE TO PROVIDE VALID INFORMATION	LEON, ANDRES	8018 HUNTERS GROVE ROAD	JACKSONVILLE, FL 32256	$ 500	$ 500
67	DUVAL	16	162021IN015410AXXXMA	PD	10/14/2021	S556.105	VIOLATION OF EXCAVATION OR DEMOLITION RULES - CIVIL	ALONZO, MARIO F	1433 HEATHER GLEN LANE	MIDDLEBURG, FL 32068	$ 500	$ 500
68	DUVAL	16	162021IN018213AXXXMA	PD	12/6/2021	S556.105(1)(A)	EXCAVATION - FAILURE TO PROVIDE VALID INFORMATION	ROBBINS, MICHAEL D	11447 KITTRELL LANE	JACKSONVILLE, FL 32220	$ 500	$ -

RECOMMENDATIONS

RECOMMENDATION 1

Continue to assist the Office of the State Fire Marshal and the Florida Public Service Commission in the annual PHMSA State Damage Prevention Law Enforcement Program Evaluations for Florida.

RECOMMENDATION 2

Work with the Florida Court Clerks and Comptrollers to have the Underground Facility Damage Prevention and Safety Act, Chapter 556, F.S., citation included into electronic systems used by Florida's law enforcement agencies.

RECOMMENDATIONS

RECOMMENDATION 3

Partner and work collaboratively with the Office of the State Fire Marshal to develop and implement awareness and education to reach key audiences within the enforcement process.

RECOMMENDATION 4

Complete online education program and offer forum for law enforcement and damage prevention stakeholders to capitalize on the varying skills, expertise and experience other agencies have in enforcing Chapter 556, F.S.

Enforcing Chapter 556

Paradigm First Responders Program

THE BASICS

Chapter 556 created Sunshine 811 Not for Profit

Members are underground facility owners/ operators

Excavators are required to notify prior to excavation

Member operators are required to locate and respond

6 STEPS TO SAFE DIGGING: 811 PROCESS

1 **PREPARE** White lining matches locate description	2 **NOTIFY** Detailed descriptions; remarks section “need to know”	3 **WAIT** 2 or 10 full business days
4 **VERIFY** Positive Response; HPSI notification	5 **PROTECT** Save the marks	6 **DIG SAFELY** Tolerance zones

WHAT IS EXCAVATION/DEMOLITION?

Anything that moves dirt including hand tools!

- Auguring
- Boring
- Drilling
- Grading
- Razing
- Scraping
- Setting poles
- Trenching
- Moving/Removing structures

WHY ENFORCE? TO SAVE LIVES

WHO ENFORCES CHAPTER 556?

Local or state law enforcement officer

Government code inspector

Code enforcement officer

Fire marshal or agents

Fire chief of the special district, municipality, or county

4 ENFORCEMENT LEVELS

80% of civil penalties are returned to issuing agency for Levels 1 and 2

LEVEL 1
CIVIL
$500 all facilities

LEVEL 2
ENHANCED CIVIL
$2,500 PHMSA regulated facilities

LEVEL 3
CIVIL
Penalty determined by State Fire Marshal
$50,000 HPSI

LEVEL 4
CRIMINAL
Misdemeanor

THE LAW

The Underground Facility Damage Prevention and Safety Act

Chapter 556, Florida Statutes

FAILURE TO NOTIFY

556.105 (1)

An excavator must provide required information through the system (Sunshine 811)

Notification is valid for 30 calendar days starting the day after notification

FINES

$500 all facilities

$2,500 PHMSA regulated facilities

FAILURE TO FOLLOW TOLERANCE ZONE REQUIREMENTS

FINES

$500 all facilities

$2,500 PHMSA regulated facilities

556.105 (5) (c)

- Must use increased caution
- Hand digging
- Pot holing
- Soft digging
- Vacuum Excavation
- Similar procedures to identify underground facilities
- Supervise mechanized equipment

FAILURE TO AVOID EXCAVATION

FINES

$500 all facilities

$2,500 PHMSA regulated facilities

556.105 (6)

- Must wait required time
- Normal Ticket: 2 Full business days starting the day after notification
- Underwater Ticket: 10 Full business days starting the day after notification

FAILURE TO STOP IF MARKS ARE NO LONGER VISIBLE

556.105 (11)

- Excavators must notify system to have the dig site remarked

FINES

$500 all facilities

$2,500 PHMSA regulated facilities

FAILURE TO STOP IF CONTACT OR DAMAGE OCCURS

556.105 (12)

- Must notify the member operator immediately
- Must call 911 if natural gas or other hazardous material is escaping

FINES

$500 all facilities

$2,500 PHMSA regulated facilities

FAILURE TO MARK FACILITIES

556.105 (5) (a)(b)

- Member operators must mark their facilities
- 2 Full business days for a normal ticket
- 10 Full business days for an underwater ticket
- Can request a delay after negotiating with the excavator

FINES

$500 all facilities

FALSE EMERGENCY NOTIFICATION

FINES

$500 all facilities

556.109 (2)

Emergency Means

- Clear and present danger
- Escape of any substance transported by underground facility
- Interruption of vital public service or communications
- Impaired streets or roads

FAILURE TO FOLLOW LOW IMPACT MARKING

FINES

$500 all facilities

556.114 (1), (2), (3), (4)

- Only notify for areas that will be excavated in the next 30 days
- Pre-mark if area can not be adequately described
- Marks shall use temporary, non-permanent paint

2ND DEGREE MISDEMEANORS

- Removing or damaging valid temporary locate marks. [s. 556.107(3)(a), F.S.]
- Remove or damaging a permanent marker placed to identify the approximate location of an underground facility. [s.556.107(3)(b), F.S.]

EMERGENCY EXCEPTION

- In an emergency, work can start immediately.
- Call 811 or utilities at earliest opportunity.

What is an emergency?

- Something is broken
- Life or property endangered
- Material escaping
- Vital service interrupted
- Roadway impaired

OTHER EXEMPTIONS

* Excludes work done in marked ROW, easement, permitted use

- Homeowners *
- Member operators working on single family residential (18” depth limit) *
- Industrial activities within secured facility’s property (limits by S. Grade), agriculture & railroad activities*
- Digging to 18” depth with no mechanized equipment for:
  - Locating, repairing, connecting, adjusting, and routine maintenance of underground facility for current or future
  - State agency maintenance of public road ROW
  - Pest control (defined in Chapter 482, F.S.)
  - Surveying (defined in Chapter 472, F.S.)
- Member operators hand digging to locate, repair, connect, protect, maintain or extend their facilities onto property of property served by them (30” limit for work in permanent marked ROW, easement, permitted use)

Always consult s. 556.108, F.S., for exact terms of exemptions

INVESTIGATE IN FIELD

Do you have a locate ticket number?

Yes? **Call 811 Option 8** to verify the information is accurate.

Has the excavator waited the required time?

Is the ticket valid?

Are the marks visible?

Was a facility damaged?

RESOURCES

MAKE ENFORCING EASIER
WORK WITH LOCAL GAS COMPANIES

Utilities can be a resource when you’re in the field.

- In general, they know when violations and damages occur and the cause.
- When you give utilities your contact information, they can notify you when there is unlawful digging.
- They can educate you on some of the installation methods they use so you know which types of digging damages their facilities.

SUNSHINE811.COM/ENFORCEMENT

Enforcement

ENFORCEMENT

- Chapter 556, F.S. - Full Text with Links to Sections
- Violations
- Enforcement Actions
- Underground Facility Damage Prevention Review
- Citation Form Template
- Enforcement Card

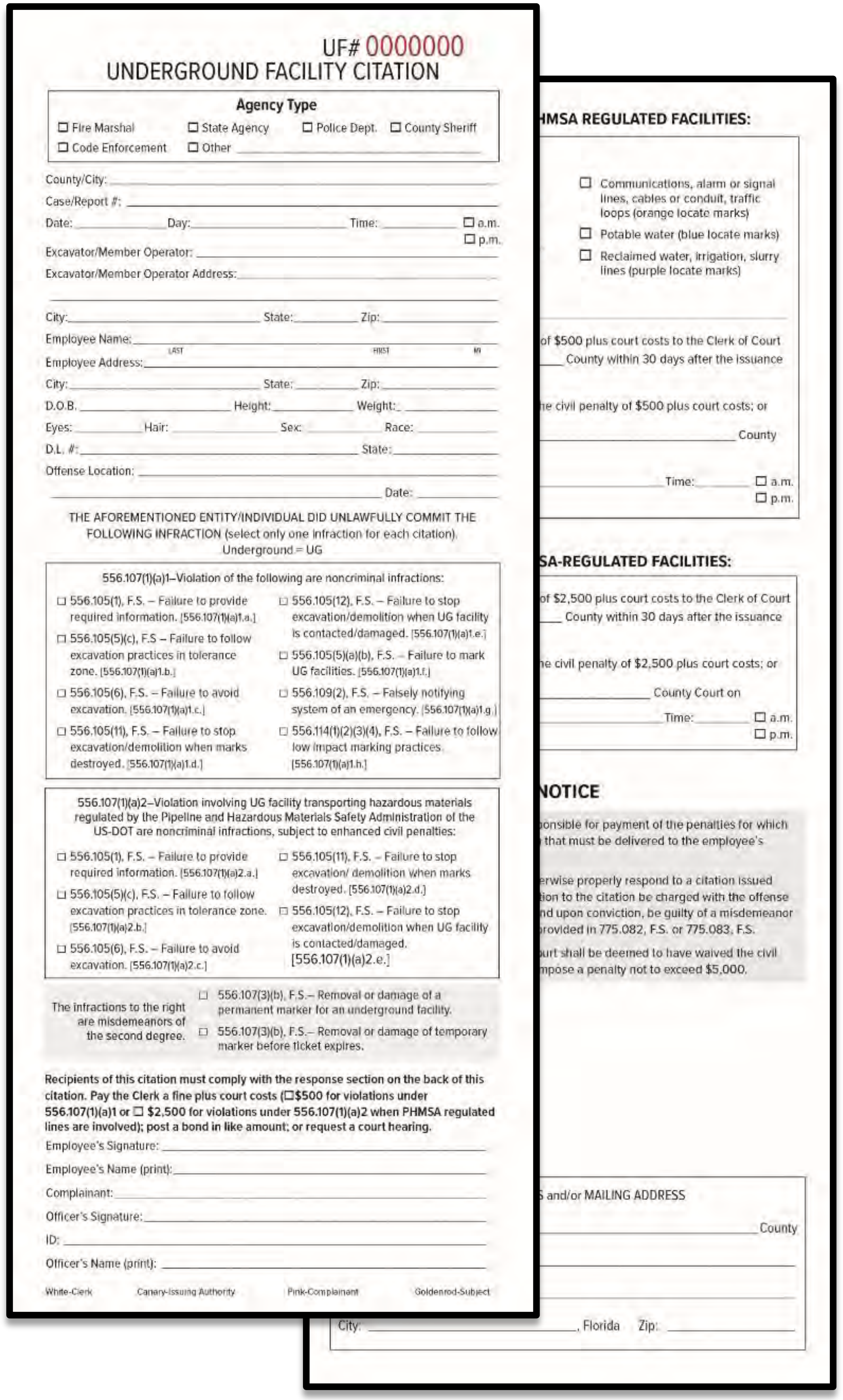
HPSI

- High Priority Subsurface Installation Incidents
- HPSI Record Requests

Florida's One Call Law

The Underground Facility Damage Prevention and Safety Act, Chapter 556, Florida Statutes, requires anyone who is digging or disturbing the ground to contact 811 and have underground facilities marked no less than two full business days before beginning any excavation or demolition. The law was established to aid the public by preventing injury to persons or property and the interruption of services resulting from damage to an underground facility caused by excavation or demolition

CITATIONS



THE AFOREMENTIONED ENTITY/INDIVIDUAL DID UNLAWFULLY COMMIT THE FOLLOWING INFRACTION (select only one infraction for each citation). Underground = UG

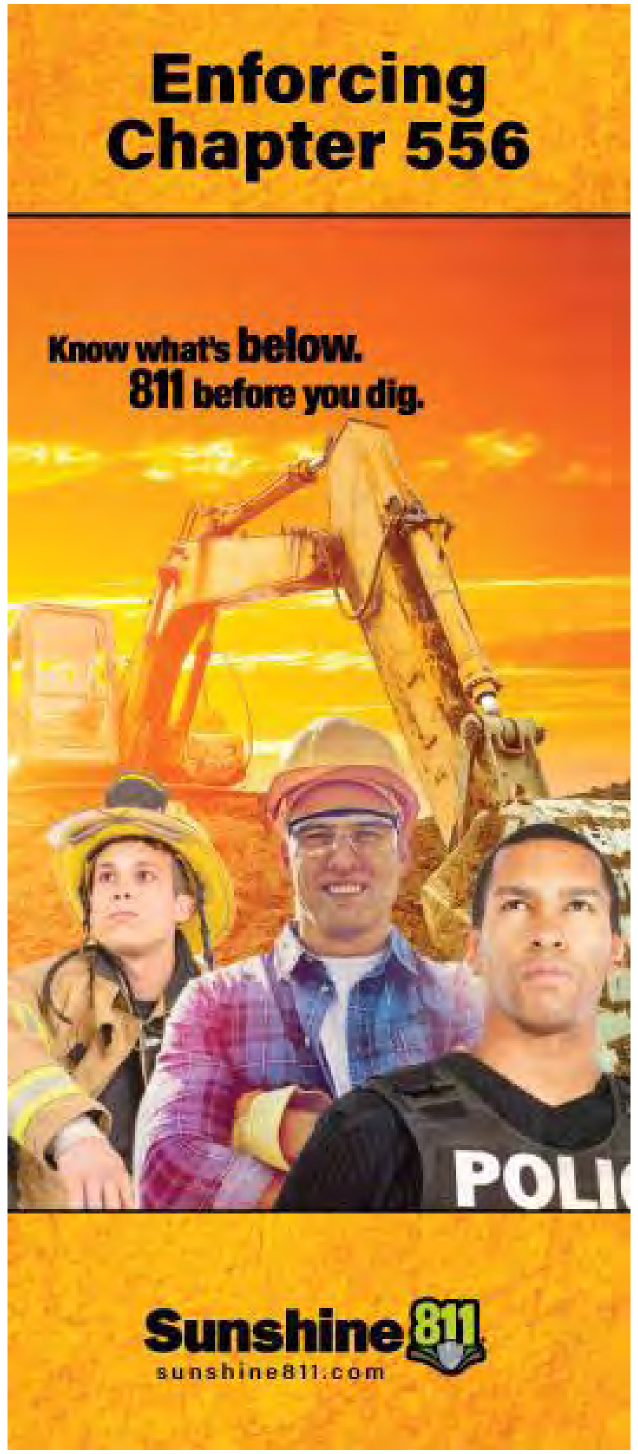
556.107(1)(a)1–Violation of the following are noncriminal infractions:

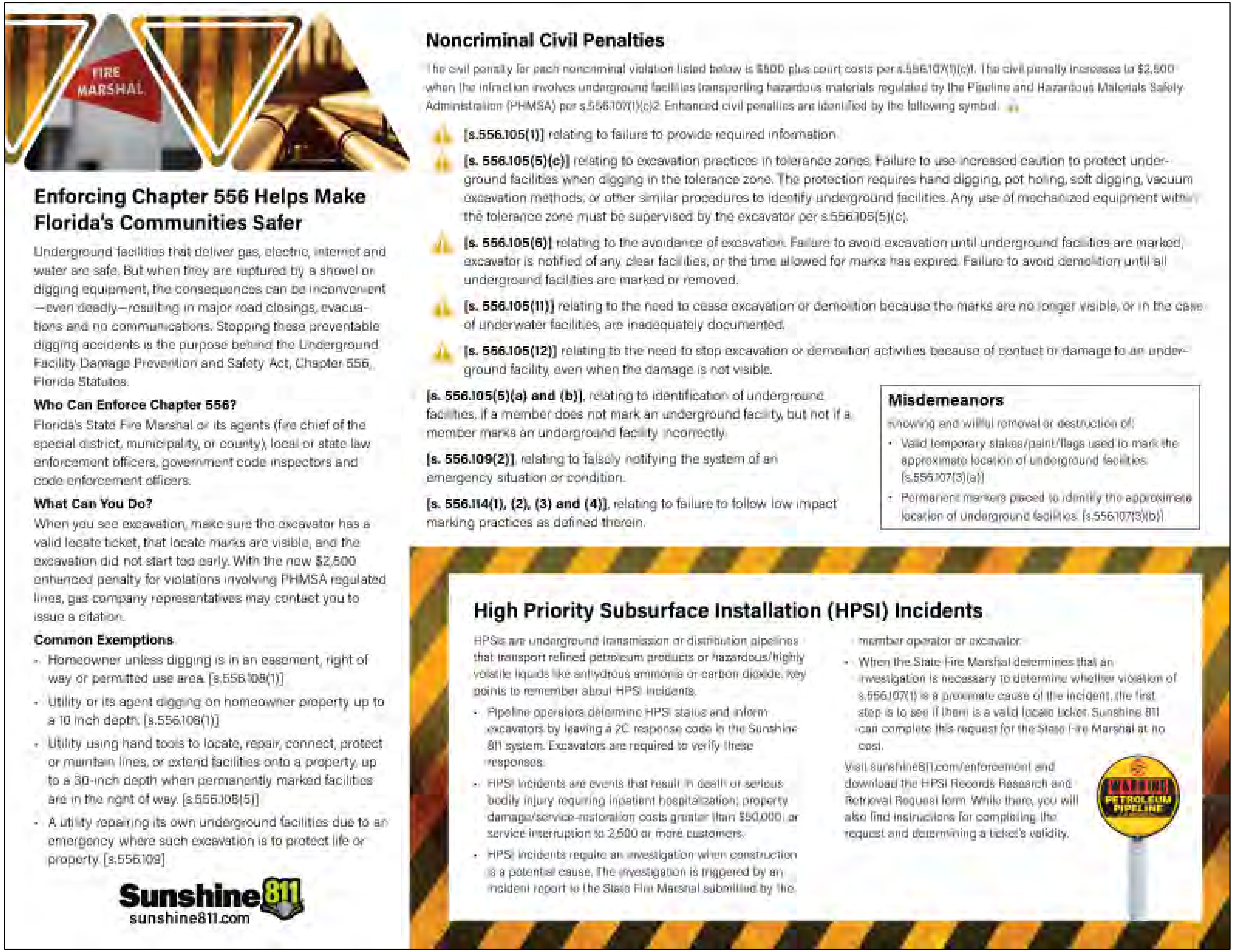
- ☐ 556.105(1), F.S. – Failure to provide required information [556.107(1)(a)1.a.]
- ☐ 556.105(5)(c), F.S – Failure to follow excavation practices in tolerance zone. [556.107(1)(a)1.b.]
- ☐ 556.105(6), F.S. – Failure to avoid excavation. [556.107(1)(a)1.c.]
- ☐ 556.105(11), F.S. – Failure to stop excavation/demolition when marks destroyed. [556.107(1)(a)1.d.]
- ☐ 556.105(12), F.S. – Failure to stop excavation/demolition when UG facility is contacted/damaged. [556.107(1)(a)1.e.]
- ☐ 556.105(5)(a)(b), F.S. – Failure to mark UG facilities. [556.107(1)(a)1.f.]
- ☐ 556.109(2), F.S. – Falsely notifying system of an emergency. [556.107(1)(a)1.g.]
- ☐ 556.114(1)(2)(3)(4), F.S. – Failure to follow low impact marking practices. [556.107(1)(a)1.h.]

556.107(1)(a)2–Violation involving UG facility transporting hazardous materials regulated by the Pipeline and Hazardous Materials Safety Administration of the US-DOT are noncriminal infractions, subject to enhanced civil penalties:

- ☐ 556.105(1), F.S. – Failure to provide required information. [556.107(1)(a)2.a.]
- ☐ 556.105(5)(c), F.S. – Failure to follow excavation practices in tolerance zone. [556.107(1)(a)2.b.]
- ☐ 556.105(6), F.S. – Failure to avoid excavation. [556.107(1)(a)2.c.]
- ☐ 556.105(11), F.S. – Failure to stop excavation/ demolition when marks destroyed. [556.107(1)(a)2.d.]
- ☐ 556.105(12), F.S. – Failure to stop excavation/demolition when UG facility is contacted/damaged. [556.107(1)(a)2.e.]

ENFORCEMENT CARD





Enforcing Chapter 556 Helps Make Florida's Communities Safer

Underground facilities that deliver gas, electric, internet and water are safe. But when they are ruptured by a shovel or digging equipment, the consequences can be inconvenient —even deadly—resulting in major road closings, evacuations and no communications. Stopping these preventable digging accidents is the purpose behind the Underground Facility Damage Prevention and Safety Act, Chapter 556, Florida Statutes.

Who Can Enforce Chapter 556?

Florida's State Fire Marshal or its agents (fire chief of the special district, municipality, or county), local or state law enforcement officers, government code inspectors and code enforcement officers.

What Can You Do?

When you see excavation, make sure the excavator has a valid locate ticket, that locate marks are visible, and the excavation did not start too early. With the new $2,500 enhanced penalty for violations involving PHMSA regulated lines, gas company representatives may contact you to issue a citation.

Common Exemptions

- Homeowner unless digging is in an easement, right of way or permitted use area. [s.556.108(1)]
- Utility or its agent digging on homeowner property up to a 10 inch depth. [s.556.108(1)]
- Utility using hand tools to locate, repair, connect, protect or maintain lines, or extend facilities onto a property, up to a 30-inch depth when permanently marked facilities are in the right of way. [s.556.108(5)]
- A utility repairing its own underground facilities due to an emergency where such excavation is to protect life or property. [s.556.109]

Sunshine 811
sunshine811.com

Noncriminal Civil Penalties

The civil penalty for each noncriminal violation listed below is $500 plus court costs per s.556.107(1)(c)1. The civil penalty increases to $2,500 when the infraction involves underground facilities transporting hazardous materials regulated by the Pipeline and Hazardous Materials Safety Administration (PHMSA) per s.556.107(1)(c)2. Enhanced civil penalties are identified by the following symbol:

- **[s.556.105(1)]** relating to failure to provide required information.
- **[s. 556.105(5)(c)]** relating to excavation practices in tolerance zones. Failure to use increased caution to protect underground facilities when digging in the tolerance zone. The protection requires hand digging, pot holing, soft digging, vacuum excavation methods, or other similar procedures to identify underground facilities. Any use of mechanized equipment within the tolerance zone must be supervised by the excavator per s.556.105(5)(c).
- **[s. 556.105(6)]** relating to the avoidance of excavation. Failure to avoid excavation until underground facilities are marked, excavator is notified of any clear facilities, or the time allowed for marks has expired. Failure to avoid demolition until all underground facilities are marked or removed.
- **[s. 556.105(11)]** relating to the need to cease excavation or demolition because the marks are no longer visible, or in the case of underwater facilities, are inadequately documented.
- **[s. 556.105(12)]** relating to the need to stop excavation or demolition activities because of contact or damage to an underground facility, even when the damage is not visible.

[s. 556.105(5)(a) and (b)], relating to identification of underground facilities, if a member does not mark an underground facility, but not if a member marks an underground facility incorrectly.

[s. 556.109(2)], relating to falsely notifying the system of an emergency situation or condition.

[s. 556.114(1), (2), (3) and (4)], relating to failure to follow low impact marking practices as defined therein.

Misdemeanors

Knowing and willful removal or destruction of:

- Valid temporary stakes/paint/flags used to mark the approximate location of underground facilities. [s.556.107(3)(a)]
- Permanent markers placed to identify the approximate location of underground facilities. [s.556.107(3)(b)]

High Priority Subsurface Installation (HPSI) Incidents

HPSIs are underground transmission or distribution pipelines that transport refined petroleum products or hazardous/highly volatile liquids like anhydrous ammonia or carbon dioxide. Key points to remember about HPSI incidents.

- Pipeline operators determine HPSI status and inform excavators by leaving a 2C response code in the Sunshine 811 system. Excavators are required to verify these responses.
- HPSI incidents are events that result in death or serious bodily injury requiring inpatient hospitalization; property damage/service-restoration costs greater than $50,000; or service interruption to 2,500 or more customers.
- HPSI incidents require an investigation when construction is a potential cause. The investigation is triggered by an incident report to the State Fire Marshal submitted by the member operator or excavator.
- When the State Fire Marshal determines that an investigation is necessary to determine whether violation of s.556.107(1) is a proximate cause of the incident, the first step is to see if there is a valid locate ticket. Sunshine 811 can complete this request for the State Fire Marshal at no cost.

Visit sunshine811.com/enforcement and download the HPSI Records Research and Retrieval Request form. While there, you will also find instructions for completing the request and determining a ticket's validity.

THANK YOU

Mark Sweet | Mark.sweet@sunshine811.com | (386) 575-2001

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 16, 2022

TO: Braulio Baez, Executive Director

FROM: Division of Economics (Barrett) MCB

RE: Draft Report on Activities Pursuant to the Florida Energy Efficiency and Conservation Act (FEECA). Due March 1, 2023 to the Governor and Legislature.

Critical Information: Please place on the November 29, 2022 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, 2023.

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

FLORIDA
PUBLIC
SERVICE
COMMISSION

FEECA

Annual Report on Activities Pursuant to the Florida Energy Efficiency and Conservation Act

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

DECEMBER 2022

Florida Public Service Commission

Annual Report on Activities Pursuant to

The Florida Energy Efficiency and Conservation Act

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

December 2022

Table of Contents

Tables and Figures

Tables

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 the Florida Energy Efficiency and Conservation Act (FEECA). 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), Florida Statutes (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 2021 annual goal results for each of the FEECA utilities and fulfills these statutory obligations.

The seven electric utilities and single natural gas utility subject to FEECA in 2021 are listed below in order of sales:[1]

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

[1]For 2021, FPL and Gulf operated as separate ratemaking entities. However, by Order PSC-2021-0446-S-EI, the Commission approved consolidating the rates and tariffs of FPL and Gulf, with all former Gulf customers becoming FPL customers, and Gulf ceasing to exist as a separate ratemaking entity, effective January 1, 2022. In future publications of this report, only six electric utilities will be identified as subject to FEECA.

The Commission regulates the rates and conservation cost recovery of the five 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.

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, program impacts of COVID-19, and information on audit, low-income, and research and development programs.

- Section 4 provides an overview of the associated 2021 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 2021 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 July 2020, a docket was established to consider proposed amendments to Rule 25-17.0021, F.A.C.[3]

In 2020, the Commission approved the DSM plans proposed by the investor-owned electric utilities and the municipal electric utilities.[4]

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[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.

[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.

2021 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 2021, statewide totals reflect that summer peak demand has been reduced by 7,982 MW, winter peak demand has been reduced by 7,294 MW, and annual energy consumption has been reduced by 19,678 GWh.[7] During 2021, the electric FEECA utilities offered 114 residential and commercial programs which focused on demand reduction and energy conservation (see Appendices A and B). In addition, FEECA electric utilities performed over 212,000 residential and commercial energy audits in 2021, as shown in Section 3.3. Each FEECA utility's achievements toward the 2021 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 2021, Florida's investor-owned electric utilities recovered approximately $307 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]Florida Reliability Coordinating Council (FRCC), *2022 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 electric demand and energy usage 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 five Florida investor-owned electric utilities must comply with FEECA regardless of sales levels. No rural electric cooperatives are subject to FEECA.

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 seven electric FEECA utilities and shows their 2021 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 seven electric utilities that are subject to FEECA account for approximately 83.7 percent of all Florida energy sales.

Table 1
Energy Sales by Florida's Electric FEECA Utilities in 2021

Florida's Electric FEECA Utilities	Energy Sales (GWh)	Percent of Total Energy Sales
Florida Power & Light Company	112,176	46.4%
Duke Energy Florida, LLC	39,682	16.4%
Tampa Electric Company	20,093	8.3%
JEA	12,066	5.0%
Gulf Power Company	10,732	4.4%
Orlando Utilities Commission	6,824	2.8%
Florida Public Utilities Company	626	0.3%
Electric FEECA Utilities' Total	**202,199**	**83.7%**
Non-FEECA Utilities' Total	39,307	16.3%
Total Statewide Energy Sales	**241,506**	**100.0%**

Source: FPSC's *Statistics of the Florida Electric Utility Industry* (Table 26) published in October 2022.

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, 87.7 percent of Florida's electricity customers are residential and consume 53.9 percent of the electrical energy produced. In contrast, nationally, residential customers account for 39 percent of total electric sales, while commercial

[9]FPSC's *Review of the 2022 Ten-Year Site Plans of Florida's Electric Utilities* (October 2022).

customers represent 35 percent of electric consumption, and industrial customers represent 26 percent.[10] Table 2 shows the makeup of Florida's electric customers by class and consumption.

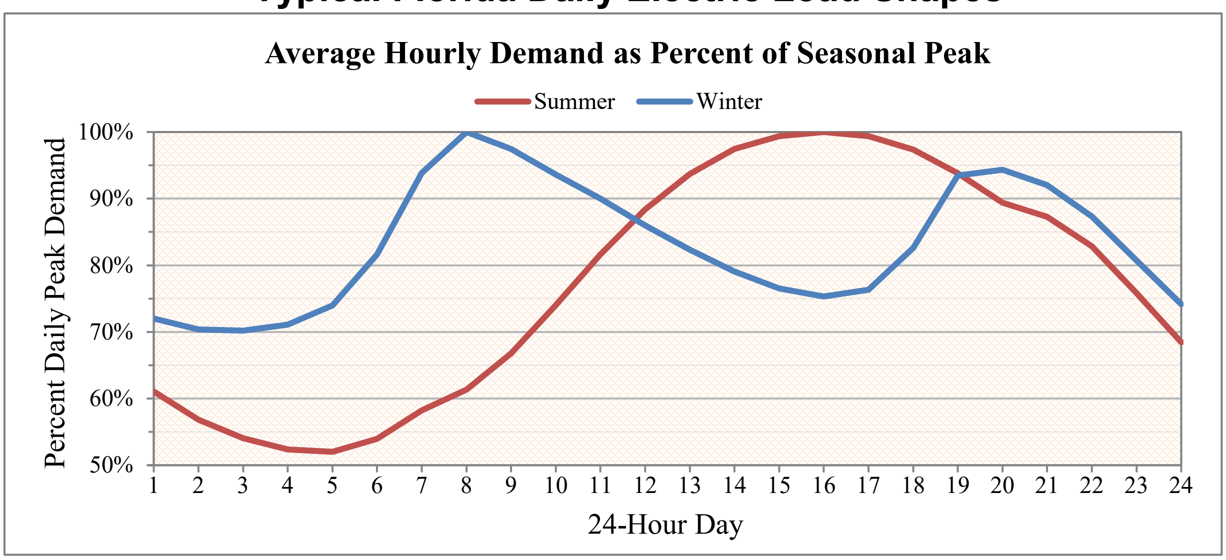
Table 2
Florida's Electric Customers by Class and Consumption in 2021

Customer Class	Number of Customers	Percent of Customers	Energy Sales (GWh)	Percent of Sales
Residential	9,895,491	87.7%	130,203	53.9%
Commercial	1,206,110	10.7%	84,732	35.1%
Industrial	24,864	0.2%	20,121	8.3%
Other*	158,726	1.4%	6,449	2.7%
Total	**11,285,191**	**100.0%**	**241,506**	**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 2022.

Figure 1 shows the daily electric load curves for a 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 2021 Ten-Year Site Plans of Florida's Electric Utilities* published October 2022.

[10] National data as reported for 2021 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 2021, 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 2021, as reported in the Florida Reliability Coordinating Council's (FRCC) 2022 Regional Load & Resource Plan.[12] In 2021, the FEECA DSM programs contributed annual energy savings of 147.1 GWh, which is enough electricity to power approximately 11,188 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 13,150 kWh for Florida in 2021 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 (Through 2021)

Type	Achieved Reduction
Summer Peak Demand	7,982 MW
Winter Peak Demand	7,294 MW
Annual Energy Reduction	19,678 GWh

Source: Florida Reliability Coordinating Council's *2022 Regional Load & Resource Plan* (S-3, S-4, S-5).

In 2021, the electric FEECA utilities offered 114 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 2021, FEECA electric utilities performed 207,066 residential audits. Though FEECA does not require commercial energy audits, FEECA electric utilities also performed 5,591 commercial energy audits in 2021. 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 attempting 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]

[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.*

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 held to determine the cost recovery factors to be applied to customer bills in the following year. The Commission-approved 2023 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, at a minimum - 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 Electric DSM Goalsetting Proceeding

Pursuant to Sections 366.82(2) and 366.82(6), F.S., the electric FEECA utilities filed proposed goals for the 2020-2029 period in April 2019. 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. While the goalsetting process produces annual goals, the cumulative goals for the entire 10-year period are shown in Table 5 for illustrative purposes. The Commission also expressed a desire to review the goalsetting process for potential revisions. In July 2020, a docket was established to consider proposed amendments to Rule 25-17.0021, F.A.C. Rule development workshops for this docket were conducted in January 2021, May 2021, and November 2022.[16]

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**

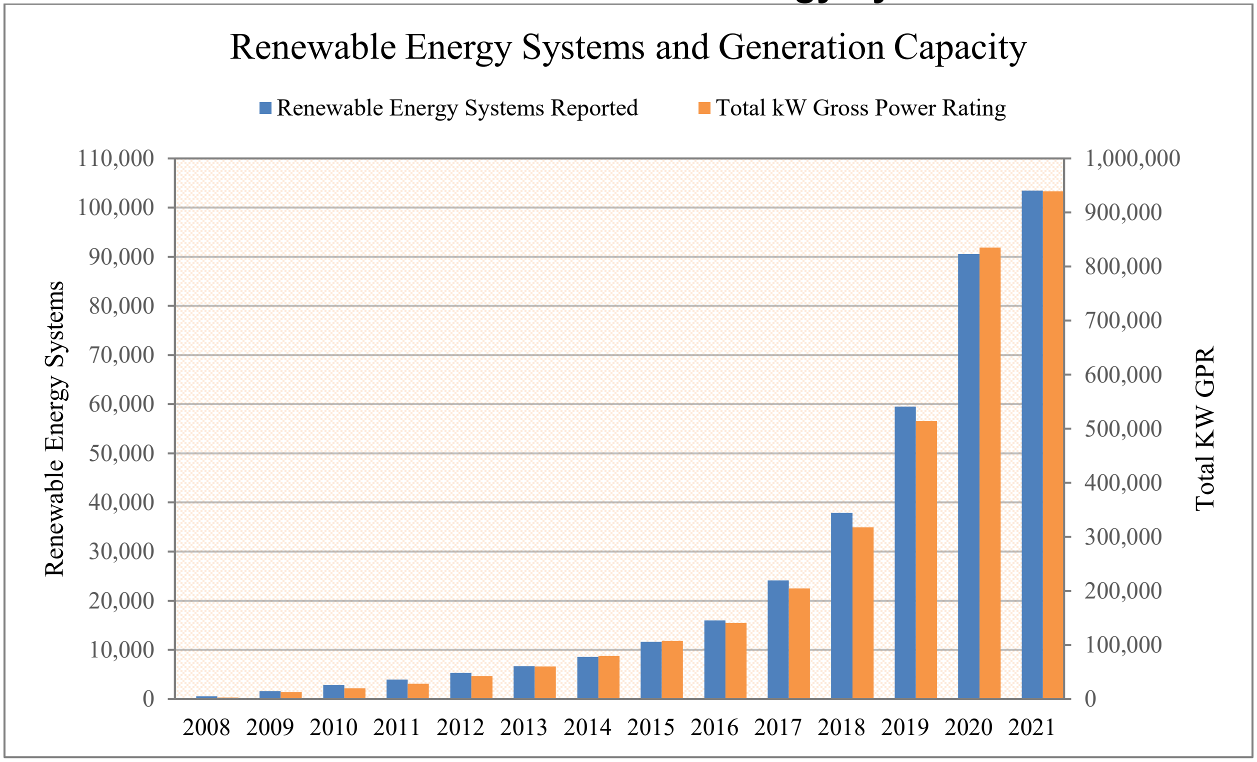
Source: Order No. PSC-14-0696-FOF-EU.

The goals established in 2014 were based upon estimated energy and demand savings from measures that passed both the RIM and Participants cost-effectiveness tests. Measures that pass the Participants test ensure that participating customers' benefits exceed the costs of the measure or program to the participants. Use of the RIM test minimizes subsidies between customers who participate in DSM programs and those who do not participate but pay for program expenditures. The RIM test also ensures rates would remain the same or lower than otherwise would occur.

As part of its review of goals in 2019, the Commission recognized Rule 25-6.065, F.A.C., (Customer-Owned Renewable Generation Rule) as an effective means of encouraging the development of demand-side renewable energy systems. Figure 2 shows the growth in the 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's approval of net-metering in 2008.

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

Figure 2
Demand-Side Renewable Energy Systems



Source: Data compiled from Interconnection and Net Metering Reports provided to the Commission from IOU, municipal, and rural electric cooperative electric companies, 2008-2021.

2.2 Summary of the 2019 Goalsetting Process for Peoples Gas

PGS is the only natural gas utility that meets the therm sales threshold for establishing conservation goals under FEECA. 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.[17] 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 2019-2028 period.

[17]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.

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.

PGS was also required to develop a residential audit program as part of the goalsetting process. However, PGS filed for and was granted a waiver of Rules 25-17.003(3)(a) and (b), F.A.C., which require all FEECA utilities to offer residential customers three different types of on-site audits - Building Energy Efficiency Rating System (BERS) Audits, Computer-Assisted Audits, and Walk-Through Audits. PGS argued that the on-site audits would impose a substantial hardship on the Company and that the purpose of the underlying statute can be achieved by other means. The Commission allowed PGS to offer an electronic, online-only audit in lieu of on-site audits for residential customers. The Commission approved the implementation of the electronic audits for PGS's residential customers, as well as on-site audits for its commercial customers, beginning in 2020. Customers of PGS are still eligible to receive walk-through energy audits through their electricity provider.

In November 2019, a docket was established to consider the petition from PGS for Approval of Demand-Side Management Plan and Program Standards together.[18] In June 2020, PGS informed the Commission of its intention to revise programs in an amended filing. In February 2021, an Amended Petition for Approval of Demand-Side Management Plan was filed. By Order No. PSC-2021-0242-PAA-EG, the revised filing was approved.[19]

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 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.

[18]See Docket No. 20190210-EG, Petition for approval of demand-side management plan, by Peoples Gas System.
[19]Order No. PSC-2021-0242-PAA-EG, issued July 2, 2021, in Docket No. 20190210-EG, *In re: Petition for approval of demand-side management plan, by Peoples Gas System.*

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 achieve demand and energy savings through DSM programs. Moreover, participation rates in the utility programs are driven by the anticipated payback to the participating customer. While utility incentives tend to increase customers' "take rate" in conservation programs, electric rates are also a contributing factor in customers' decisions to invest in more efficient appliances. Thus, low or declining electric rates tend to reduce customer energy efficiency investments, while increasing rates can have the opposite effect. This makes it crucial that the FEECA utilities frequently evaluate conservation programs to ensure that they remain cost-effective. Likewise, the FEECA utilities are also expected to 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 2020 when the 7th Edition (2020) was issued. The 7th Edition (2020) became effective in December 2020, although in August 2021, the FLBC issued the 2021 Supplement to the 7th Edition (2020).[20] While there were several changes in both documents that pertain to construction standards, no changes were made to Chapter 11, Energy Efficiency. After review of these resources and the DSM programs that were current when these codes became effective, FEECA utilities reported that the code updates had no impact on the programs that had been established in the 2014 goalsetting process. None of the FEECA utilities made regulatory filings to modify DSM Plans or programs as a result of 2020 or the 2021 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. Within the Building Technologies Office, the 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.[21] Some of the consumer products regulated by these Conservation Standards and Test Procedures include laundry appliances, dishwashers, microwave ovens, televisions, and several other common

[20] The 2021 Supplement to the 7th Edition (2020) became effective August 18, 2021. Details of the Seventh Edition (2020) Florida Building Code and 2021 Supplement to the 7th Edition (2020), including legislative updates in the 2022 Supplement, can be found at https://www.floridabuilding.org/fbc/Links_to_Code_Resources.html. In addition, details are provided regarding the development of the 8th Edition, currently scheduled for 2023.
[21] Federal Appliance and Equipment Standards Program: http://energy.gov/eere/buildings/appliance-and-equipment-standards-program.

household products. In addition to consumer products, there are categories for lighting, plumbing, and commercial/industrial products.[22]

In January 2021, an executive order from the President of the United States was issued which included direction to address the overdue rule and test procedure reviews.[23] In the August 2021 Report To Congress, the DOE conveyed that since the last Report to Congress (July 2019), 123 rulemaking actions related to energy conservation standards and test procedures have been completed. Of this total, 71 of the actions were related to energy conservation standards rulemaking notices, with 15 being final actions. Examples of the equipment for which final actions were taken include ceiling fans, commercial air compressors, dishwashers, fluorescent light ballasts, and portable air conditioners. The full list, including information on the fifty two rulemaking notices that relate to test procedures, is accessible via the link identified in the footnote below.[24]

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.

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

[23] Executive Order No. 13990, 86 Federal Register 7037 (January 25, 2021): https://www.govinfo.gov/content/pkg/FR-2021-01-25/pdf/2021-01765.pdf

[24] U.S. Department of Energy, Semi-Annual Report to Congress on Appliance Energy Efficiency Rulemakings, Energy Conservation Standards Activities (August 2021): https://www.energy.gov/sites/default/files/2021-08/EXEC-2019-005022%20-%20Final%20Report%20ksb.pdf

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 (2021) 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 2021 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

The company met its summer and winter demand reduction goals for the C/I customer class, but missed its annual energy savings goal for that class. FPL did not achieve any of its three 2021 goals for the residential customer class. For an illustration of one residential metric, FPL's goal for summer demand reduction in this customer class was 27.30 MWs, yet FPL recorded 18.04 MWs of summer demand reduction, a shortfall of 34 percent. FPL met its total (i.e. all classes combined) summer demand reduction goal and its total winter demand reduction goals, but it did not meet its total annual energy savings goal. According to FPL, program participation fell in 2021 below projections in programs that required in-home contractors, specifically referencing their residential insulation and air conditioning programs. The company attributes the lower program participation in these programs as a contributing factor for missing its goals for the residential customer class. In 2022, FPL reported that it has engaged in efforts to improve customer receptivity to in-home visits in order to increase program participation.

DEF

In 2021, DEF exceeded all of its demand reduction and annual energy savings goals for the C/I customer class. The company met its annual energy savings goal for the residential customer class, but it did not meet its residential summer and winter demand reduction goals for this class. For summer demand reduction in the residential customer class, DEF's goal was 14.00 MWs, yet the company recorded 10.00 MWs of summer demand reduction, a shortfall of 29 percent. DEF met the total goals for summer demand reduction and annual energy savings. The company did not meet its total winter demand reduction goal.

Although the company attributed impacts of the COVID-19 pandemic as the principle reason for not achieving all of its goals in 2021, it stated that in 2022, it has increased staffing for work crews that install conservation measures, and is examining dispatch efficiencies that will enable such crews to stay in one area for extended times.

TECO

TECO met all of its 2021 demand and energy savings goals for the C/I customer class. TECO achieved its residential 2021 energy savings and summer demand reduction goals. However, the company missed achieving its residential winter demand reduction goal, which resulted in it missing its total winter demand reduction goal as well. TECO's goal for winter demand reduction in the residential customer class was 8.00 MWs, yet the utility recorded a reduction of 4.50 MWs, a shortfall of 44 percent. Through most of 2021, TECO suspended offering programs that required on-site interactions for the safety of its customers, employees, and contractors. The company believes the decline in on-site interactions particularly impacted its ability to achieve its winter demand reduction goal for the residential customer class.

Although participation in the company's on-line residential audit program grew in 2021, many of the suspended programs had lower participation numbers than projected for 2021. From early November 2020 through the end of 2021, TECO maintained a waiting list so that it could address program participation requests received. Normal field operations resumed on November 8, 2021, and the waiting list numbers declined thereafter.

Gulf

Gulf missed all of its 2021 energy and demand reduction goals for both classes, thus it missed its total energy and demand reduction goals as well. For an illustration of one residential metric, Gulf's summer demand reduction goal for 2021 was 7.50 MWs, yet Gulf recorded 1.33 MWs of summer demand reduction, a shortfall of 82 percent. Gulf stated lower program participation combined with the ongoing impacts of COVID-19 pandemic as the reason for its missed demand reduction and annual energy savings goals for both classes.

Calendar year 2021 was the last time period that goal achievement results for Gulf will be reported as stand-alone entity. Beginning in 2022, FPL and Gulf, two formerly separate companies, combined their operations. For 2022, the energy and demand reduction goal achievement results that FPL reports will reflect the operationally-merged entity.

FPUC

FPUC met all of its 2021 demand reduction and energy savings goals for the residential customer class, but did not meet any of its goals in the C/I customer class. For an example of one C/I measure, FPUC's goal for winter demand reduction was 0.018 MWs, yet the utility recorded a reduction of 0.002 MWs, a shortfall of 89 percent. However, the goal achievement for 2021 in the residential customer class enabled FPUC to also meet all of its total winter and summer demand reduction goals, as well as its total annual energy savings goal.

JEA

JEA met all its 2021 individual customer class goals, thus it met its total demand and energy savings goals as well.

OUC

OUC met all its 2021 individual customer class goals, thus it met its total demand and energy savings goals as well.

Table 7
Electric DSM Goals Compared to Annual (2021) Achievements

Utility	Winter (MW)		Summer (MW)		Annual (GWh)	
	Goals	Achieved Reduction	Goals	Achieved Reduction	Goals	Achieved Reduction
FPL*						
Residential	16.90	**11.41**	27.30	**18.04**	25.70	**21.87**
Commercial/Industrial	16.50	22.45	26.60	37.96	30.10	**17.71**
Total	33.40	33.87	53.90	55.99	55.80	**39.58**
DEF*						
Residential	28.00	**16.00**	14.00	**10.00**	6.00	25.00
Commercial/Industrial	5.00	11.00	7.00	24.00	4.00	22.00
Total	33.00	**27.00**	21.00	34.00	10.00	47.00
TECO*						
Residential	8.00	**4.50**	3.30	6.40	7.70	16.40
Commercial/Industrial	1.90	4.70	3.60	5.60	10.40	20.40
Total	9.90	**9.20**	6.90	12.10	18.10	36.80
Gulf*						
Residential	4.30	**1.11**	7.50	**1.33**	7.60	**3.89**
Commercial/Industrial	0.20	**0.04**	0.90	**0.04**	2.70	**0.13**
Total	4.50	**1.15**	8.40	**1.36**	10.30	**4.01**
FPUC*						
Residential	0.031	0.095	0.099	0.167	0.067	0.318
Commercial/Industrial	0.018	**0.002**	0.058	**0.004**	0.182	**0.007**
Total	0.049	0.097	0.157	0.171	0.249	0.325
JEA						
Residential	0.960	1.830	0.940	2.150	2.500	4.200
Commercial/Industrial	0.007	0.240	0.140	0.470	0.080	2.500
Total	0.967	2.070	1.080	2.620	2.580	6.660
OUC						
Residential	0.220	0.659	0.210	0.631	0.800	1.422
Commercial/Industrial	0.780	1.676	0.400	1.859	0.860	11.330
Total	1.000	2.335	0.610	2.489	1.660	12.752

***Bold numbers shown in Table 7 indicate the utility did not meet its annual goals within that category.**

Source: FEECA utilities' 2021 demand-side management annual reports.

PGS

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 2021 total energy reduction goal and its individual customer class goals.

Table 8
PGS DSM Goals Compared to Annual (2021) Achievements

Utility	Annual Energy Reduction (Therms)	
	Goals	Achieved Reduction
PGS		
Residential	355,569	425,798
Small Commercial	227,968	292,210
Total	583,537	718,008

Source: PGS' 2021 demand-side management annual report.

3.2 Program Impacts of COVID-19

As in 2020, the COVID-19 pandemic continued to impact DSM program implementation in 2021 for Florida's electric FEECA utilities. COVID-related health concerns prompted most FEECA utilities to restrict implementing DSM programs requiring face-to-face or on-site contact with their customers throughout portions of 2021. In most instances, the duration of suspensions was brief, although in a few limited cases, some programs remained suspended for most of 2021, and into the early portions of 2022.

The FEECA utilities responded to this challenge through enhanced communications with their customers using traditional channels (radio, television, bill messaging, and print mediums), and continued into 2021 offering information via internet-based and social media (Facebook and Twitter) platforms that were launched in 2020. In addition, the FEECA utilities used their corporate websites to provide frequently updated information regarding the availability of their conservation programs, and to offer webinars and other informative content for their customers. In 2021, the FEECA utilities continued communicating with their customers using technology-based applications (FaceTime, Teams, and Zoom) in efforts to assist customers to learn about and engage in conservation programs and measures. Discussed below is a summary of the practices the FEECA utilities implemented in response to COVID-19 impacts.

FPL

Since October 2020, and through all of 2021, FPL resumed offering all residential and commercial conservation programs. During 2021, FPL launched updates to an online resource (Energy Analyzer) customers can access to obtain information about their specific energy usage and energy-saving opportunities.

According to FPL, COVID-related concerns may be the root cause behind a reluctance from its customers to participate in programs that required in-home contractors. Innovations that were offered in 2020 for the first time, such as allowing insulation contractors to issue rebate certificates for the Residential Ceiling Insulation program without a pre-qualifying FPL in-home energy survey, were continued in 2021 and incorporated on a permanent basis into the 2022 program standards. FPL continued offering alternatives to in-home energy surveys as part of its communication efforts to engage all customers, including those that may remain reluctant to allow in-home visits.

DEF

In 2021, COVID-related health concerns impacted DEF's ability to offer some residential and commercial conservation programs for varying durations. Although the company's Home Energy Check, Residential Incentive and Residential Load Management programs were not offered in January and February, these programs resumed normal operations on March 1, 2021. The Low Income Weatherization Assistance program followed a very similar schedule, and resumed normal operations the following day. DEF's Neighborhood Energy Saver program had the longest period of suspension in 2021, and was not offered until May 17, 2021.

In 2021, DEF continued the practice of posting current information about conservation programs on its website, using a banner to provide information about suspended programs or measures. In addition, the company used video conferencing tools as an alternative to face-to-face communications.

As it did in 2020, the company relied more heavily on its online and social media outlets (Facebook and Twitter) over print or more traditional communication outlets for messaging about the conservation programs, and increased its marketing efforts to promote telephonic and online audits.

TECO

For most of 2021, TECO did not offer conservation programs that involved person-to-person interactions, only resuming those programs in early November. Nevertheless, the company developed call-back lists for in-home audits and for other programs, and when normal operations resumed, worked aggressively to fulfill the requests it received throughout the year.

In 2021, TECO's energy education efforts mirrored those used in 2020, using both traditional and emerging communication channels. Through its website and other digital avenues, the company provided information about suspended conservation programs, while also actively promoting the non-suspended programs. According to TECO, the company placed an emphasis on promoting telephonic and online audits as it did in 2020, TECO's online customer portal featured popup messaging to promote Online Energy Audits and other programs. TECO continued to maintain social media content focused on educating its customers on energy saving tips, while simultaneously promoting residential and commercial conservation programs.

TECO continued to support process changes that allowed on-going participation in some of the company's COVID-impacted DSM programs. Working through its vendors, the company continued the practice of allowing photographs to document the installation of qualifying energy efficient equipment. TECO also continued to allow use of an electronic signature tool in order to enroll customers in load management and demand response programs. For the company's Weatherization program, TECO specialists ordinarily install all of the items in the energy efficiency kits that are offered with that program. However, during COVID-related suspensions, the company mailed the kits and instructed the participating customers to self-install what they were comfortable with, leaving the remaining items for a specialist to install at a later date. Late in 2021, the company diligently made contact with these participating customers to fully install any of the remaining items from their kits.

Gulf

Gulf began the year with its residential in-home audit program suspended, along with three commercial/industrial programs as well. These suspensions were terminated on various dates through the first portion of 2021. While these programs were under suspensions, Gulf offered its customers the opportunity to be placed on waiting lists. In addition to the offer of a waiting list, those requesting an in-person residential or business audit were offered the opportunity to participate in on-line and/or telephonic audits. For non-suspended programs that required on-site work at a customer's location, Gulf employees adhered to strict masking and social distancing protocols.

As it did in 2020, Gulf shifted its messaging to encourage customers to participate in telephonic and virtual audit programs, which were offered through 2021 as the preferred alternative to in-person audits. Gulf continued communicating with its customers through internet-based platforms and its social media avenues (Facebook and Twitter) to educate customers and also offer information about conservation programs. During the warmest summer months of 2021, Gulf conducted an advertising campaign offering information on conservation practices, and promoting its on-line Energy Survey tool. The campaign used local television, printed flyers, digital channels and social media channels. Gulf also maintained a COVID-19 resource page on its website that also included links to payment arrangements and bill payment assistance, along with energy saving tips.

FPUC

Although none of FPUC's residential or commercial conservation programs were suspended in 2021, customers that requested to participate in the company's Residential Energy Survey Program were only offered an online and/or a telephonic energy audit in lieu of an on-site audit. In addition, the company only offered off-site resources for customers that requested to participate in its commercial Energy Consultation Program. FPUC states that its website offered information on all other conservation programs, and this resource and its call center staff promoted the company's free online energy survey software and conservation calculator.

In 2021, the company maintained its usual marketing efforts to promote its entire energy conservation portfolio through bill messaging, print advertising, and by billboards and banners in its service territories.

JEA

In 2021, JEA offered its full portfolio of conservation programs without any suspensions or modified practices attributable to COVID-related concerns. The utility states that all DSM program delivery has returned to its pre-pandemic state, with no additional tools or adjusted practices deemed necessary.

OUC

Like JEA in 2021, OUC also offered its conservation programs to customers without suspensions or significantly modified practices. The utility states that on limited occasions, on-site conservation specialists used modified field practices whereby they would remain outdoors during their visits to customer locations, and made use of video-conferencing tools to give guidance to customers. OUC expressed that its modified audit program obviated the need to create waitlists that would have otherwise been necessary if the utility had fully suspended their program.

3.3 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 2021, a total of 7,983 audits of this type were conducted. In addition, PGS announced plans to launch its Commercial Walk-Through Energy Audit program before the end of 2022.

Residential Audits

The FEECA electric utilities performed a total of 207,066 residential audits in 2021, as shown in Table 9 below.[25] Similar to 2020, the number of audits conducted by the FEECA electric utilities was impacted by varying restrictions regarding on-site visitation to customers' homes and businesses. During the suspension periods, the utilities were not able to offer Walk-Through, BERS, and Computer-Assisted Audits since these types of audits require a utility auditor to

[25] 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.

physically inspect the customer's premises. The FEECA electric utilities responded to these suspensions by offering virtual energy audits via online or telephonic audit programs.

Table 9
Residential Audits by Type in 2021

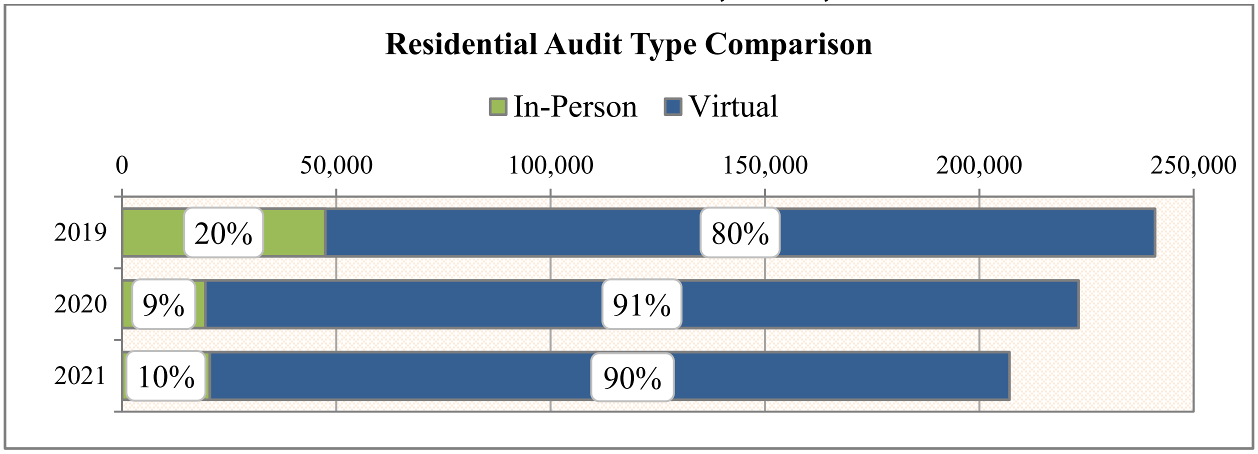
Utility	In-Person	Virtual		Total
	Walk-Through, BERS, and Computer-Assisted	Online	Phone	
FPL	8,626	65,236	11,016	84,878
DEF	5,983	8,393	7,356	21,732
TECO	1,035	68,540	819	70,394
Gulf	251	10,929	554	11,734
FPUC	6	40	22	68
JEA	3,346	8,059	0	11,405
OUC	1,229	5,626	0	6,855
Total	**20,476**	**166,823**	**19,767**	**207,066**

Source: FEECA utilities' 2021 demand-side management annual reports.

FEECA electric utilities conducted 207,066 residential audits in 2021, which was almost 16,000 fewer residential audits compared to 2020 when 223,146 audits were conducted. Although FPL, DEF, Gulf, FPUC, and JEA each conducted fewer audits in 2021 compared to 2020, two FEECA electric utilities, TECO and OUC, reported more audits in the same period. For TECO, fewer in-person audits were conducted in 2021 (1,035 in 2021 compared to 1,514 in 2020), but a higher number of virtual audits more than offset that decline for in-person audits, resulting in an overall total increase of about 15 percent (70,394 in 2021 compared to 61,280 in 2020). In 2021, OUC launched a new online audit tool, and reported an extraordinary gain in the number of residential audits conducted (5,626 audits in 2021 compared to 164 in 2020).

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, when periods of 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 91 percent, and in-person audits declining from 20 percent of total audits to 9 percent, as shown in Figure 3 below. For 2021, the proportional relationship remained similar to 2020, even though fewer total audits were conducted.

Figure 3
Residential Audits in 2019, 2020, and 2021



Source: FEECA utilities' 2019-2021 demand-side management annual reports.

Commercial / Industrial Audits

The FEECA electric utilities also performed 5,591 commercial/industrial energy audits in 2021, down from 6,071 such audits in 2020. As with the residential audit programs, the suspension of on-site visits during 2021 impacted the overall number of commercial/industrial energy audits reported by all of the FEECA electric utilities. FPL and Gulf reported conducting more in-person and telephonic audits in 2021 compared to 2020, and fewer online audits. JEA conducted more in-person audits in 2021 compared to 2020 (173 in 2021 compared to 142 in 2020), while DEF, TECO, and OUC reported fewer commercial/industrial audits. FPUC does not offer an audit program for commercial/industrial customers.

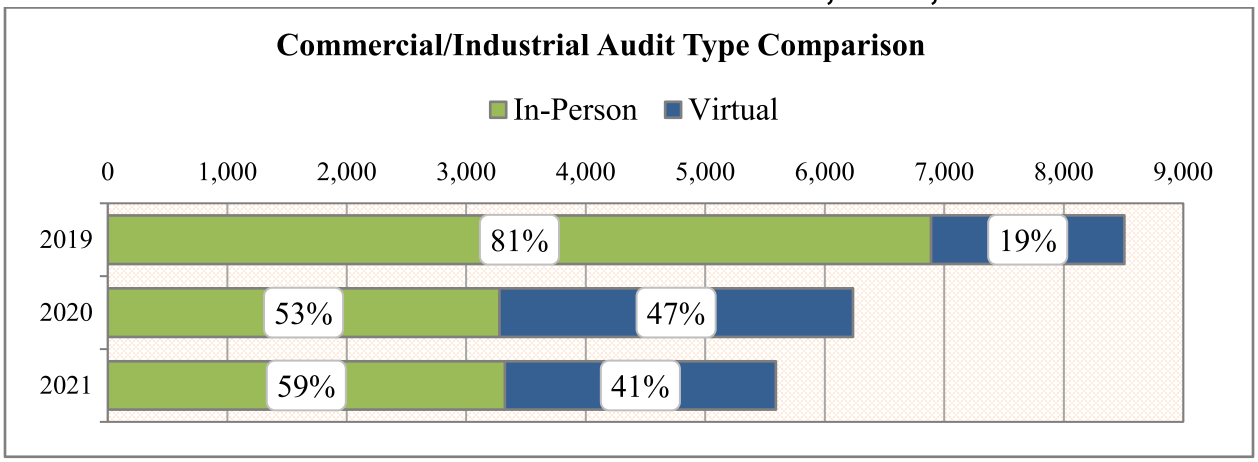
Table 10
Commercial / Industrial Audits by Type in 2021

Utility	In-Person	Virtual		Total
	Walk-Through, BERS, and Computer-Assisted	Online	Phone	
FPL	2,702	400	1,649	4,751
DEF	262	0	25	287
TECO	101	0	105	206
Gulf	55	67	22	144
FPUC	0	0	0	0
JEA	173	0	0	173
OUC	30	0	0	30
Total	**3,323**	**467**	**1,801**	**5,591**

Source: FEECA utilities' 2021 demand-side management annual reports.

Figure 4 below shows that a higher number of C/I audits were conducted in 2019, prior to all of the periods of suspensions that occurred at different times in 2020 and 2021. In 2019, about 81 percent of all commercial/industrial audits were conducted as on-premises (in-person) audits, with the balance conducted virtually. In 2020, a pronounced shift to this proportion was observed, such that on-premises audits in that year declined to 53 percent of total commercial/industrial audits. In 2021, that shift reversed slightly, when the on-premises audits as a percentage of total audits rose to 59 percent. The total number of commercial/industrial audits declined significantly in 2020, and a smaller decrease was noted in 2021.

Figure 4
Commercial / Industrial Audits in 2019, 2020, and 2021



Source: FEECA utilities' 2019-2021 demand-side management annual reports.

3.4 Low-Income Programs

The 2014 DSM Goals Order[26] 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."[27] In accordance with this Order, each electric FEECA utility has implemented programs within its DSM plan that address low-income conservation. 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.

[26]The 2014 DSM Goals Order references electric utilities only.
[27]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.*

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 2021 are discussed below.

FPL

FPL reported that proactive marketing efforts resulted in program participation being higher than projected for 2021. The company provided assistance to low-income customers through the Residential Low-Income Weatherization Assistance program, which provides direct installation of energy saving measures through government designated Weatherization Assistance Providers. A home energy survey with customer specific recommendations for saving energy is also offered with this program. FPL Home and Business Energy representatives targeted income-qualified zip codes in its service territory in order to offer energy saving tips and related information to the property managers and customers in those areas. This outreach included the installation of energy efficiency measures at no cost to participants.

FPL's program manager for this DSM program is a member of the advisory board for the Florida Housing Coalition, which sponsors an annual Affordability Conference. Through engagement at this conference, the program manager is able to discuss strategies for increasing the adoption of the Residential Low-Income Weatherization Assistance program with representatives from regional social service agencies that offer services throughout FPL's service territory.

DEF

DEF promotes its conservation programs to all customers, including low-income customers through a variety of marketing channels. These channels include bill stuffers, emails, direct mail, and social media. Promotional information about conservation programs is also published on the company's website.

In 2021, DEF worked with the Pinellas County Urban League, Mid-Florida Community Services, Capitol Area Community Action Agency and other social service organizations to ensure these entities are aware of the benefits available to low-income customers. For portions of 2021, COVID-19 related concerns prompted DEF to suspend offering in-home direct installations of measures in customers' homes. Safety related concerns also impacted the social service agencies DEF partnered with, although in 2021 these agencies have resumed activity and have submitted some applications for rebates through DEF's Weatherization Program.

Despite these ongoing efforts by DEF, participation in low-income DSM programs was not as high in 2021 as in 2020. In July 2021, DEF petitioned the Commission to request approval for several modifications to the company's DSM Plan and standards intended to provide both short-term and long-term relief to low-income customers.[28] In December 2021, the Commission granted partial approval of the requested modifications.[29]

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[28]See Docket No. 20210121-EG, *Petition for Approval of Modifications to Demand-side Management Program Plan and Participation Standards*.
[29]See Order No. PSC-2021-0465-PAA-EG, issued December 20, 2021, in Docket No. 20210121-EG, *Petition for Approval of Modifications to Demand-side Management Program Plan and Participation Standards*.

TECO

In 2021, as in 2020, TECO continued its multi-pronged approach for communicating with customers of all income levels. TECO used paid advertising channels (television and radio), social media (Facebook and Twitter), as well as bill communications, direct mail, and website banners to promote its non-customer contact DSM programs. Social media outlets were used to publicize the company's Energy and Renewable Education, Awareness and Agency Outreach program, as well as to provide information about community energy education and awareness events. Historically, these efforts have proven to be effective at encouraging the participation of low-income customers. Through TECO's marketing efforts, participation in the Energy and Renewable Education, Awareness and Agency Outreach program improved in 2021, from historically low enrollment in 2020.[30] Customers, including low-income customers, who attended free community energy education events in 2021 received energy-saving tips and program information directly from company personnel. Eligible attendees also received free energy-saving kits. Social media was also used to announce the details for offering the company's Neighborhood Weatherization Program, which also rebounded from historically low participation in 2020.[31]

In 2021, TECO also leveraged its on-going relationships with the Tampa Housing Authority and Hillsborough County's Sustainability department as avenues for offering virtual energy education to all customers, including low-income customers.

Gulf

In 2021, Gulf engaged in several initiatives to ensure low-income customers were aware of and had access to conservation programs. While overall participation was impacted by COVID-19 restrictions, Gulf specifically targeted lower income neighborhoods with its Residential Low Income (Community Energy Saver) program, a program where company representatives canvas specifically-identified neighborhoods to provide basic energy conservation recommendations as well as installation of conservation measures including energy efficient LED light bulbs and low-flow shower heads. Information promoting this program was featured in direct mail campaigns, and through outreach via community awareness events, yard signs, and by engaging community leaders. In 2021, these efforts resulted in Gulf more than doubling the number of customers participating in its Residential Low Income (Community Energy Saver) program, compared to 2020.[32]

As the summer and winter peak season approached, Gulf sent emails to all of its customers that it had valid email addresses for, including low-income customers, offering energy saving tips and bill assistance information. In 2021, Gulf also ran an advertising campaign on local TV, digital channels and social media channels during some of the warmest summer months to encourage

[30] In 2021, a total of 810 customers participated in TECO's Energy and Renewable Education, Awareness and Agency Outreach program. In 2020, only 445 did so.

[31] In 2021, a total of 2,923 customers participated in TECO's Neighborhood Weatherization program. In 2020, only 1,760 did so.

[32] In 2021, a total of 3,795 participants enrolled in Gulf's Residential Low Income (Community Energy Saver) program, compared to 1,436 in 2020.

customers to identify more ways to save energy and money through the online energy checkup tool.

FPUC

In 2021, FPUC continued its outreach programs to all customers, including low-income customers, through the company's website and various forms of advertising in its service territory. FPUC's Energy Expert program provides energy-related tips, advice, articles, videos, blog content, and other downloadable materials. This on-line energy conservation resource features an "Ask the Energy Expert" tool which allows customers to submit energy-related questions to the company and receive a direct response from FPUC personnel. As part of the Energy Expert program, FPUC energy conservation professionals continuously interact with employees from other departments to provide basic energy efficiency and conservation training. This training helps customer service, sales, and other customer-facing employees address high-bill complaints and to effectively communicate with customers regarding their energy usage, and FPUC's energy conservation measures and programs.

JEA

As in prior years, JEA provided a specific program for low-income customers called its Neighborhood Energy Efficiency Program. This program included free installation of conservation products and provides energy education packets that give customers energy-saving ideas and information about JEA's other DSM programs. In 2021, JEA formed a partnership with the Wealth Watchers Florida organization to provide energy efficiency kits to the group's Home Buyer Education program.

OUC

In 2021, 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.

In 2021, OUC continued a partnership with the City of Orlando to conduct neighborhood meetings in low-income communities. OUC also participated in the construction of 16 new, affordable single family homes within its service territory through its affiliation with the Central Florida Regional Housing Trust Partnership.

3.5 Investor-Owned Utility Research and Development Programs

In addition to specific DSM programs that provide measurable demand and energy savings, the five 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 2021, FPL performed a review of smart thermostat programs, smart panel pilot programs, and other control device demand response programs currently being administered by investor-owned utilities across the nation. Smart panels function as a replacement technology for traditional circuit breaker panels. FPL is considering using smart thermostats, smart panels, and smart breakers as potential supplements to its Residential On Call Program, where air conditioning, strip heating, water heating, and pool pump circuits could be targeted for monitoring and control. FPL reported that those evaluations are being conducted through a pilot program which was approved in the 2021 rate case. In addition to evaluating the load control capabilities of these replacement panels, the pilot will also study the optimization of electric vehicle chargers, solar PV systems, and battery storage technologies.

DEF

DEF continued research projects with the University of South Florida and University of Central Florida to gain insights into energy storage. The company hopes to use the results of this research for design of a potential cost-effective demand response program. DEF also continued its research on CTA-2045 Technology, a port that enables connected appliances to receive and execute commands, as well as its Energy Management Circuit Breaker (EMCB) Project. The purpose of the EMCB Project is to examine the potential for developing a customer circuit breaker program that incorporates communication, metering, and remote operations for a variety of energy efficiency and demand response applications. DEF also continues to participate in research with the Electric Power Research Institute (EPRI) on projects evaluating customer solar resources with a focus on larger arrays with and without energy storage systems. With the EPRI, DEF also participated in studies to measure the potential of using customer demand response to compensate for variable loads and intermittent renewable generation resources.

In 2021, DEF completed a two-year research project that gathered data about residential customers who drive electric vehicles (EV). The study analyzed what types of hardware customers use for charging, where customers do the majority of their charging, and how much power is consumed by EV charging. The final results of this study appear in a report published in October 2021.

In 2021, DEF launched a project for a study to evaluate the demand response capability of internet-connected residential batteries. The project will focus on the capabilities of a particular aggregator to collect data from multiple battery manufacturers, feasibility of utilizing the technology to dispatch demand response event commands, and the net impacts these have on shaping demand. These aggregation systems enable existing units that have already been installed by residential customers in DEF's territory to be used in this study. Residential batteries have the potential to offer the ability to provide power reduction for demand response while reducing discomfort to the customer, in comparison to residential appliance demand response.

TECO

In 2021, TECO continued several of its battery storage research initiatives with University of South Florida, including a project exploring the use of large commercial electric vehicle lithium-ion batteries to export power to the company's grid during peak times. TECO also continued examining a Commercial Small to Mid-sized Business Online Energy Audit program and research to include Heat Pump Water Heaters, in its Energy Planner Program.

TECO issued a final report on its two-year study of a home energy management system, which indicated a 641 kWh reduction in annual energy usage for a typical home, as well as a summer demand reduction of 0.08 KWs and a winter demand reduction of 0.10 KWs. Although the company gained valuable insights and data from this study, it is not intending on developing a DSM offering at this time. Nonetheless, TECO intends to continue to monitor the technology, stating that as the next goal-setting proceeding approaches, there is a high probability that technology from this study will be included in the Residential Measures List.

Gulf

Gulf did not initiate any new projects in 2021, and its work with the Electric Power Research Institute (EPRI) SHINES Project was completed late in the year. Through this program, Gulf and other partners in the EPRI's Integration of Distributed Energy Resources program developed an educational tool for the public to monitor the performance characteristics of a solar energy system, a battery energy storage system, and household energy loads in a residential setting. Visitors to the SHINES Project website can also access historical performance measurements and weather information though interactive charts. Data collection was completed in late 2021.

FPUC

In December 2021, FPUC completed its Battery Storage Conservation Demonstration and Development (CDD) project. This research explored the impacts battery technology has on FPUC's electrical system, by comparing data from stand-alone battery units to various configurations that combine solar and battery components. The research was intended to provide the company with data and insights for determining appropriate business model design and regulatory structure for a conservation program offering for residential customers. A final report was completed in May 2022. FPUC states that it gained valuable insights into customer-level acceptance of battery storage system technology. The company believes the data from this study will be useful to the engineering firm that will assist the company to prepare for the 2024 DSM Goals docket. FPUC hopes to leverage the data from this study and the customer insights into one or more conservation programs at a future date, pending the cost-effectiveness review.

FPUC started another CDD effort in 2021, which targets commercial customers, and is expected to run through 2022. This project will examine technologies and systems that increase the electrical efficiency for certain large commercial and industrial customers. The core component of this study is a mechanical control device that reduces energy consumption by controlling the voltage across all phases of supply. Preliminary findings indicate this device can effectively lower kilowatt demand and overall energy consumption. The study is expected to run through December 2022.

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 Natural Gas Conservation Cost Recovery (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, 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 2012-2021.

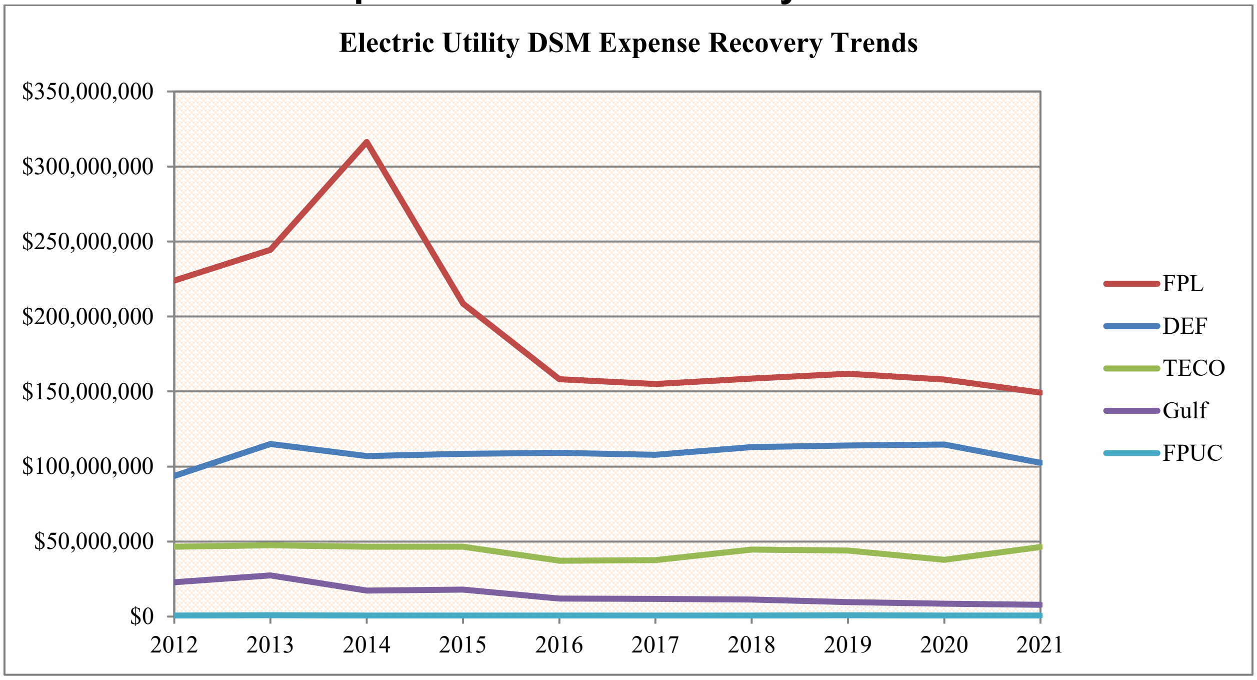
Table 11
DSM Expenditures Recovered by IOUs

	FPL	DEF	TECO	Gulf	FPUC	Total
2012	$224,033,738	$93,728,110	$46,593,831	$22,885,826	$695,235	$387,936,740
2013	$244,443,534	$115,035,455	$47,502,652	$27,431,962	$806,698	$435,220,301
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
Total						**$3,608,773,140**

Source: Docket Nos. 20130002-EG through 20220002-EG, Schedules CT-2 from the IOUs' May testimonies.

Figure 5 shows trends in annual DSM expenditures for the five electric IOUs from 2012 to 2021.

Figure 5
DSM Expenditures Recovered by Electric IOUs



Source: Docket Nos. 20130002-EG through 20220002-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.

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 2022, the Commission set the ECCR factors for the 2023 billing cycle. 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.

Table 12
Residential Energy Conservation Cost Recovery Factors in 2023

Utility*	ECCR Factor (Cents per kWh)	Monthly Bill Impact (Based on usage of 1,000 kWh)
FPL	0.122	$1.22
DEF	0.320	$3.20
TECO	0.281	$2.81
FPUC	0.113	$1.13

Source: Order No. PSC-2022-0XXX-FOF-EG, Docket No. 20220002-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 PGS is the only natural gas utility subject to FEECA, the other LDCs 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 2012-2021.

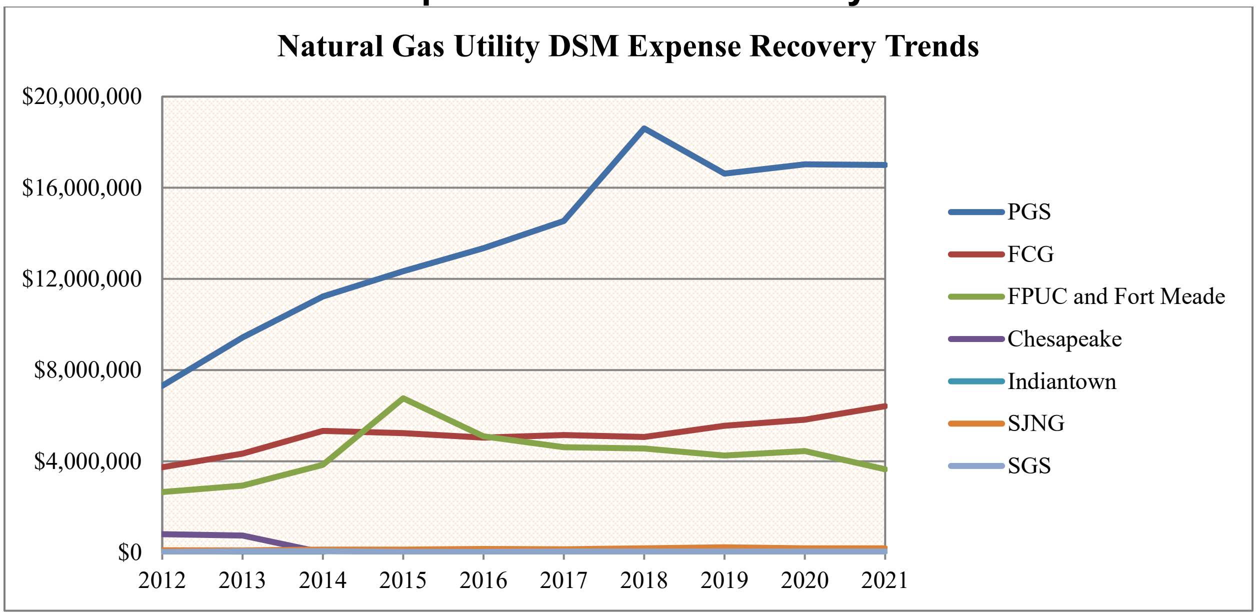
Table 13
DSM Expenditures Recovered by LDCs

	PGS	FCG	FPUC Consolidated Companies			SJNG	SGS	Total
			FPUC and Fort Meade	Chesapeake	Indiantown			
2012	$7,314,940	$3,743,811	$2,655,654	$806,747	$5,238	$102,425	$25,090	$14,653,905
2013	$9,432,551	$4,342,603	$2,935,140	$742,412	$10,222	$96,575	$53,967	$17,613,470
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
Total								**$235,571,381**

Source: Docket Nos. 20130004-GU through 20220004-GU, Schedules CT-2 from LDCs' May testimonies.
*Spending combined with FPUC.

Figure 6 shows the trends in annual conservation expenditures for all LDCs from 2012 to 2021. In 2013, the Commission approved the LDCs' Commercial Conservation programs, resulting in additional overall conservation expenditures.[33]

Figure 6
DSM Expenditures Recovered by LDCs



Source: Docket Nos. 20130004-EG through 20220004-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. The graph does not reveal that the amounts for SJNG and SGS are relatively low.

In November 2022, the Commission set the natural gas LDC conservation cost recovery factors for the 2023 billing cycle. Table 14 provides the LDCs' residential cost recovery factors for 2023 and the impact on a residential customer bill using 20 therms of natural gas per month.

[33] 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.*

Table 14
Residential Natural Gas Conservation Cost Recovery Factors in 2023

Utility	Cost Recovery Factor (Cents per Therm)	Monthly Bill Impact (Based on usage of 20 Therms)
PGS	9.056	$1.81
FCG	25.615	$5.21
FPUC – Fort Meade	8.852	$1.77
Chesapeake	14.368	$2.87
Indiantown	9.466	$1.89
SJNG	27.254	$5.45
SGS	12.192	$2.44

Source: Order No. PSC-2022-0XXX-FOF-GU, Docket No. 20220004-GU.

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, E-Newsletters, YouTube, LinkedIn, and Twitter. 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. Most of the data in this section covers October 2021 through August 2022.

Triple E Award

Each quarter, the Commission recognizes a small business for implementing Commission approved, cost-effective conservation programs. Covering the state's five major geographic areas, the Commission presents its Triple E Award─for Energy Efficiency Efforts─to a local business that has accomplished superior energy efficiency by working with its local utility to help reduce its energy footprint. Triple E Award recipients receive an award plaque, are featured and archived under Hot Topics on the FPSC homepage—www.FloridaPSC.com—and are highlighted statewide via a press release and on Twitter (@floridapsc).

Website Outreach Resources

The FPSC invites consumers to visit its website to find an assortment of information to help save energy. According to Google Analytics, website page views for October 1, 2021 through August 24, 2022 totaled over 1,051,000. "Find Your Utility" and "Lifeline Assistance" were among the most popular FPSC Consumer Assistance pages.

The Commission offers several energy conservation brochures and other helpful free consumer resources. Conservation brochures may be viewed and printed directly from the FPSC website, FloridaPSC.com/publications, ordered online, or requested by mail or phone. From October 2021 through August 31, 2022, the FPSC received more than 32,400 requests for brochures.

Newsletters

The Commission's quarterly Consumer Connection E-Newsletter features current energy and water conservation topics, consumer tips, and general Commission information. Consumer tips and information highlighted through video and text during the reporting period include: Commissioner Andrew Fay Highlights National Drive Electric Week with Statewide Electric Vehicle Tour, Chairman Andrew Fay Experiences the Line Life, and Hardening the Electric Grid to Withstand Storms. The Consumer Connection E-Newsletter is available under Consumer Corner on the Commission's homepage and distributed to consumers via Twitter (@floridapsc) and by subscribing to the free newsletter online.

National Consumer Protection Week

National Consumer Protection Week (NCPW), March 6-12, 2022, highlighting consumer protection and education efforts, aided the Commission's 2022 conservation education efforts.

Chairman Andrew Fay recognized the 24th Annual NCPW by raising awareness and education on scams targeting utility customers, and securing online privacy and personal information.

For NCPW 2022, the Commission made presentations to consumers at the Jefferson County Senior Citizens Center and the Senior Citizens Council of Madison County showing them how to save money through energy and water conservation and how to avoid scams. 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. "Age My Way" was the theme for Older Americans Month 2022. The FPSC partnered with centers in Hamilton, Suwanee, Lafayette, and Leon Counties to meet with seniors in-person and discuss FPSC information. Virtual meetings were also held with senior centers in Sarasota, Charlotte, Putnam and DeSoto Counties.

Energy Awareness Month

Each October, the U.S. Department of Energy (DOE) sponsors National Energy Awareness Month to promote smart energy choices and highlight economic and job growth, environmental protection, and increased energy independence. In 2021, as consumers spent more time at home, average home electricity usage increased. Chairman Gary Clark provided energy saving tips for the home in a video featured on Twitter and LinkedIn. Commission outreach resources such as our Conservation House, Conserve Your World and related FPSC information provided 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 Commission also actively seeks new community events, venues, and opportunities where conservation materials can be distributed and discussed with consumers. Virtual and in-person outreach events resumed during the 2021-2022 reporting period, with more public meetings and events to be scheduled in the future. In-person events where conservation information was shared during October 2021 through August 2022 included:

- Jacksonville Senior Expo
- Children's Day at the Florida Capitol
- Jefferson Senior Citizens Center
- Madison County Senior Citizens Counsel
- Museum of Florida History's 39th Annual Children's Day
- Lunch and Learn at Chaires Community Center
- Hamilton County Senior Center
- Suwannee County Senior Center

- Lafayette County Senior Center
- Lunch and Learn at Ft. Braden Community Center
- Lunch and Learn at Lake Jackson Community Center

Virtual meetings where conservation information was shared during October 2021 through August 2022 included:

- Career Source Community Resource Center – Port St. Joe, Northwest Regional Library System, Career Source Community Resource Center – Apalachicola
- Florida Impact to End Hunger
- One Senior Place – Altamonte Springs/Greater, Orlando, One Senior Place – Brevard County/Space Coast
- Florida Association for Community Action
- North County Senior Center – Palm Beach Gardens, Mid County Senior Center – Lake Worth, and West County Senior Center – Belle Glade
- Fairview Shores Branch Library
- Friendship Senior Centers in Venice, Sarasota, Punta Gorda, and Arcadia
- Edgar Johnson Senior Center
- Miami Gardens Senior Family Center
- Monroe County Senior Nutrition Program – Key West
- Osceola Council on Aging, Kissimmee
- Oaks at Riverview Senior Center
- Council on Aging, St. Lucie County
- Council on Aging, Volusia County

Hearings and Customer Meetings

As an ongoing outreach initiative, the Commission supplies conservation brochures to consumers at Commission service hearings and customer meetings across the state. From October 2021 through August 2022, the majority of the FPSC's service hearings and customer meetings were held virtually. While educational opportunities with consumers were limited, those participating in the virtual customer meetings and customer service hearings received an FPSC Rate Case Overview that explains their energy or water utility's bill change request. FPSC conservation brochures were also offered to customers attending two in-person service hearings this year. Customers' questions were answered by Commission outreach staff, who also helped them find useful information on the FPSC website.

Library Outreach Campaign

Each August, the Commission provides educational packets, including FPSC conservation materials, to Florida public libraries across the state for consumer distribution. The Commission's Library Outreach Campaign reached 617 state public libraries and branches in 2022. To reduce mailing and production costs, the Commission's 2022 campaign was accomplished electronically. Following the Campaign, the FPSC filled many libraries' brochure order requests.

Media Outreach

News releases are posted to the website and distributed via email and Twitter on major Commission decisions, meetings, and public events. The FPSC also issues news releases, or posts videos to Twitter and LinkedIn, urging energy conservation during annual recognitions, such as Energy Awareness Month and NCPW. Water conservation was highlighted in March with a release on Fix a Leak Week, sponsored by the EPA, and in May for National Drinking Water Week, sponsored by the American Water Works Association. In August, the challenges small water utilities face was discussed in a release.

Youth Education

The Commission emphasizes conservation education for Florida's young consumers. During 2021 and 2022, the Commission continued to distribute its student resource booklet, Get Wise and Conserve Florida!, to teach children about energy and water conservation. The booklet is promoted to all public libraries through the Library Outreach Programs, is available at all Commission outreach events, and continues to be a favorite during senior events.

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 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/fortmeade/
- Florida Public Utilities Company – Indiantown Div. – http://www.fpuc.com/about/fpufamily
- 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. 2021 FEECA Utility Conservation Programs

Electric IOUs

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

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

Tampa Electric Company	
Residential Programs	Residential Energy Audits (3 Programs) Residential Ceiling Insulation Residential Duct Repair Energy Education, Awareness, and Agency Outreach ENERGY STAR 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 Cool Roof 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 (Pilot Program) Renewable Energy (Sun To Go)

Gulf Power Company	
Residential Programs	Residential Home Energy Survey Energy Select Residential Low Income (Community Energy Saver Program) Residential HVAC Residential Ceiling Insulation Residential High Efficiency Pool Pump
Commercial/Industrial Programs	Business Energy Survey Business HVAC Curtailable Load Rider Business Custom Incentive
Other	Conservation Demonstration and Development

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 Reflective Roof Commercial Chiller Upgrade
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 Residential Distributed Generation and Battery Rebate Program
Commercial/Industrial Programs	Commercial Energy Audit Commercial Prescriptive Lighting Program Commercial Prescriptive Small Business Direct Install Custom Commercial Commercial Distributed Generation and Battery Rebate Program

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 Oil Heat Replacement
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. 2021 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 Ceiling Insulation**
  The Residential Ceiling Insulation Program encourages customers to improve their homes' thermal efficiency.

- **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 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 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.

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

- **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.

- **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.

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

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.

- **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.

- **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.

- **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.

- **Better Business**
  Better 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.

- **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.

- **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.

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 three Residential Energy Audits Programs, includes a walk-through free energy check, a customer-assisted energy audits, and a building energy ratings system (BERS) audit.

- **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.

- **Cool Roof**
  The Commercial Cool Roof Program encourages C/I customers to install a cool roof system above conditioned spaces. Although this program was closed in November 2020 due to COVID, projects that were approved prior to that date were completed in 2021.

- **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 (Sun to Go)**
  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. Gulf Power Company

Residential Programs

- **Residential Home Energy Survey**
  The Residential Home Energy Survey is the primary educational program to help customers improve the energy efficiency of their new or existing home. The program provides energy conservation advice and information that encourages the implementation of efficiency measures and behaviors that result in electricity bill savings. Gulf offers its residential customers in-home and online audits.

- **Energy Select**
  The *Energy Select* Program gives customers a way to manage their energy consumption by programming their heating and cooling systems and major appliances, such as electric water heaters and pool pumps, to respond automatically to prices that vary during the day and by season in relation to Gulf's cost of producing or purchasing energy.

- **Residential Low Income (Community Energy Saver Program)**
  The Community Energy Saver Program will assist low-income families in addressing costs through increased awareness and installation of energy efficiency measures in the homes of low-income families at no cost to the customers. The program also educates families on behavioral changes designed to save money by decreasing energy use.

- **Residential Heating, Ventilating, and Air Conditioning (HVAC)**
  The HVAC Efficiency Improvement Program is designed to increase energy efficiency and improve HVAC cooling system performance for new and existing homes. Gulf increases efficiency through HVAC maintenance, duct repair, and HVAC quality installation.

- **Residential Ceiling Insulation**
  The Residential Ceiling Insulation program encourages customers to improve their homes' thermal efficiency by providing customers an incentive to install a minimum of R-19 insulation in their existing home.

- **Residential High Efficiency Pool Pump**
  The Residential High Efficiency Pool Pump Program encourages customers to install a high-efficiency pool pump by providing an incentive in both new and existing residential applications.

Commercial Programs

- **Business Energy Survey**
  The Business Energy Survey program educates customers on energy efficiency and encourages them to participate in applicable DSM programs or implement other recommended actions to reduce energy consumption. Gulf offers several types of audits under this program, including on-site walkthrough audits.

- **Business HVAC**
  The Business HVAC Program encourages customers to install high-efficiency HVAC systems including chillers; split/packaged direct expansion (DX); demand control ventilation (DCV); and energy recovery ventilation (ERV) by offering incentives which will vary according to the size of the systems or ventilation installed.

- **Curtailable Load Rider**
  The Curtailable Load (CL) Program is available to customers taking service under rate schedules LP, LPT, PX, or PXT and who also execute a Curtailable Load Service agreement. The program provides capacity payments for electric load which can be curtailed during certain conditions, and customers must commit a minimum of 4,000 Kw of non-firm load.

- **Business Custom Incentive**
  The Business Custom Incentive Program offers advances energy services and energy efficient end-use equipment to Business customers. The specific focus of this program is demand reduction and/or efficiency improvement retrofits.

Other Programs

- **Conservation Demonstration and Development**
  The Conservation Demonstration and Development Program is an umbrella program for the identification, research, development, and evaluation of new or emerging end-use energy efficient technologies.

E. 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.

- **Residential Distributed Generation and Battery Rebate Program**
  The Residential Distributed Generation and Battery Rebate Program pays a financial incentive to encourage the use of battery storage when purchasing new solar voltaic systems. 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.

- **Commercial Distributed Generation and Battery Rebate Program**
  The Commercial Distributed Generation and Battery Rebate Program pays a financial incentive to encourage the use of battery storage when purchasing new solar voltaic systems. 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.
- **Oil Heat Replacement**
The Oil Heat Replacement Program is designed to encourage customers to make cost-effective improvements in existing residences by converting/replacing their existing oil heating system to more energy efficient natural gas heating. This program closed for enrollment on December 31, 2021.

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 16, 2022

TO: Braulio L. Baez, Executive Director

FROM: Office of Industry Development & Market Analysis (Fogleman, Deas, Day) CH
Office of Consumer Assistance & Outreach (Muir) CM

RE: 2022 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 29, 2022 Internal Affairs agenda. **Commission approval of the draft Lifeline Report is sought.** The 2022 Lifeline Report is due to the Governor, President of the Senate, and Speaker of the House by December 31, 2022.

Staff is seeking Commission approval of the draft 2022 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. As of June 30, 2022, there were 300,285 households participating in the Lifeline program 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. The attached draft report has been prepared to fulfill the Florida legislative requirement.

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 2022

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List of Acronyms

ACP	Affordable Connectivity Program
CFR	Code of Federal Regulations
DCF	Department of Children and Families
EBB	Emergency Broadband Benefit
ETC	Eligible Telecommunications Carrier
FCC	Federal Communications Commission
FPSC	Florida Public Service Commission
F.S.	Florida Statutes
GB	Gigabytes
Mbps	Megabits per second
NARUC	National Association of Regulatory Utility Commissioners
NCPW	National Consumer Protection Week
RDOF	Rural Digital Opportunity Fund
SNAP	Supplemental Nutrition Assistance Program (formerly Food Stamps)
SSI	Supplemental Security Income
USAC	Universal Service Administrative Company
USF	Universal Service Fund

Executive Summary

The Florida Lifeline Assistance report is prepared pursuant to the requirements found in Section 364.10, 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 2021 through June 2022, and evaluates procedures put in place to strengthen the Lifeline program.

As of June 30, 2022, there were 300,285 Florida households participating in the Lifeline program. This represents approximately 1 of every 29 Florida households, which is a 10 percent increase in participation from the previous reporting period.[1] The Supplemental Nutrition Assistance Program (SNAP) continues to be the largest qualifying program for Lifeline assistance in Florida. However, only 18 percent of SNAP participants subscribe to Lifeline as of June 2022.[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 2022 Lifeline Awareness Week, held on September 12-16. 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 18, 2022, http://edr.state.fl.us/Content/conferences/population/ConferenceResults.pdf, accessed on October 14, 2022, p. 3, Households 8,823,920.
[2] Florida DCF, Access Florida: Standard Data Reports, https://www.myflfamilies.com/service-programs/access/StandardDataReports.asp, accessed on October 14, 2022.

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. Over time, that goal has evolved to include broadband service.

One of the principles of the universal service program as described in the Telecommunications Act of 1996 is for low-income consumers to have reasonably comparable access to telecommunications and information services.[3] The federal universal service Lifeline program is designed to ensure that low-income households have access to modern communications networks capable of providing voice and broadband service.[4] The program supports the goal of universal service by requiring ETCs to offer a monthly discount for services to qualifying low-income households. 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.

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 enrollment in specific qualifying programs. Customers can qualify for the Lifeline program by being enrolled in any one of the following programs:

- SNAP
- Medicaid

[3] 47 U.S.C. §254(b)(3)(2022)
[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 November 1, 2022.

- 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 by the U.S. Department of Health and Human Services.[5] Consumers can enroll in the Lifeline program through income-based eligibility by providing qualifying documentation to the National Verifier.

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

The eligibility of applications are 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 US Department of Housing and Urban Development to confirm eligibility through the Federal Public Housing Assistance program.[6] For states like Florida, for which there are both federal and state databases to confirm eligibility, USAC estimates that the automated eligibility pass rate is about 70 percent.[7]

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

[5] Appendix A.
[6] USAC, Eligibility Verification, https://www.usac.org/lifeline/national-verifier/eligibility-verification/, accessed on October 14, 2022. Also, note that Florida benefits from both a federal and state connection for Medicaid verification.
[7] USAC, Annual Report, released on January 31, 2022, https://www.usac.org/wp-content/uploads/lifeline/documents/nv/reports/National-Verifier-Annual-Report-and-Data-January-2022.pdf, accessed on October 14, 2022, p. 8.

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.[8] The minimum service standards that will become effective December 1, 2022, include:

- Mobile voice remains unchanged at 1,000 minutes per month
- Mobile broadband usage remains unchanged at 4.5 gigabytes (GB) per month
- Fixed broadband speed remains unchanged at 25 megabits per second (Mbps) downstream and 3 Mbps upstream, while data usage increases from 1.23 to 1.28 terabytes per month

Duplicate Lifeline Support

Eligible consumers can only receive one Lifeline-supported service per household.[9] 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.[10]

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.[11] The National Lifeline Accountability 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.

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. 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

[8] FCC, Public Notice, DA 22-800, WC Docket No. 11-42, released on July 29, 2022, https://docs.fcc.gov/public/attachments/DA-22-800A1.pdf, accessed on October 14, 2022.
[9] 47 CFR § 54.409(c).
[10] A household eligibility pre-screening tool is available at www.lifelinesupport.org, accessed October 14, 2022.
[11] 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 October 14, 2022.

- 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

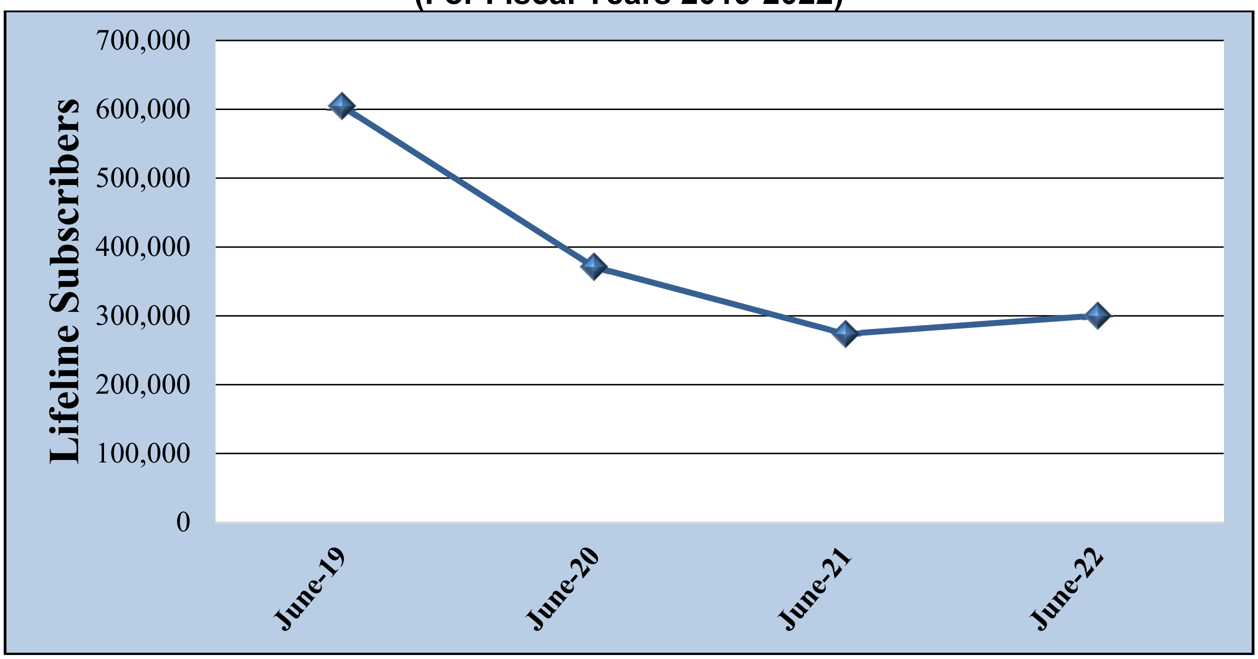
If the Lifeline customer does not use their service for 30 consecutive days (non-usage), the ETC must give the customer a 15-day notice that if they do not use the service in a further 15 days, their service will be terminated. ETCs must de-enroll those Lifeline customers who do not meet the usage requirement 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. Recent waivers relating to the FCC's non-usage rules are discussed in Chapter IV.

II. Lifeline Participation

Participation

There were 300,285 subscribers enrolled in Lifeline as of June 30, 2022, representing a roughly 10 percent increase from the number of subscribers last year. Figure 1 shows annual Lifeline subscribership for June 2019 through June 2022. During the 2021-2022 reporting period, Lifeline subscribership increased by 26,644. This is the first increase in Lifeline subscribership since 2018. The majority of these new Lifeline customers (99.7 percent) were enrolled by wireless providers, as noted in Appendix B. Almost all wireline companies experienced a loss in Lifeline subscribers, which was attributed by some of these companies to the continued transition of customers to wireless service. The six ETCs that experienced Lifeline subscriber growth in 2022 were: Assurance, SafeLink, T-Mobile, Smart City, WOW!, and Windstream.

Figure 1
Florida Lifeline Subscribership
(For Fiscal Years 2019-2022)



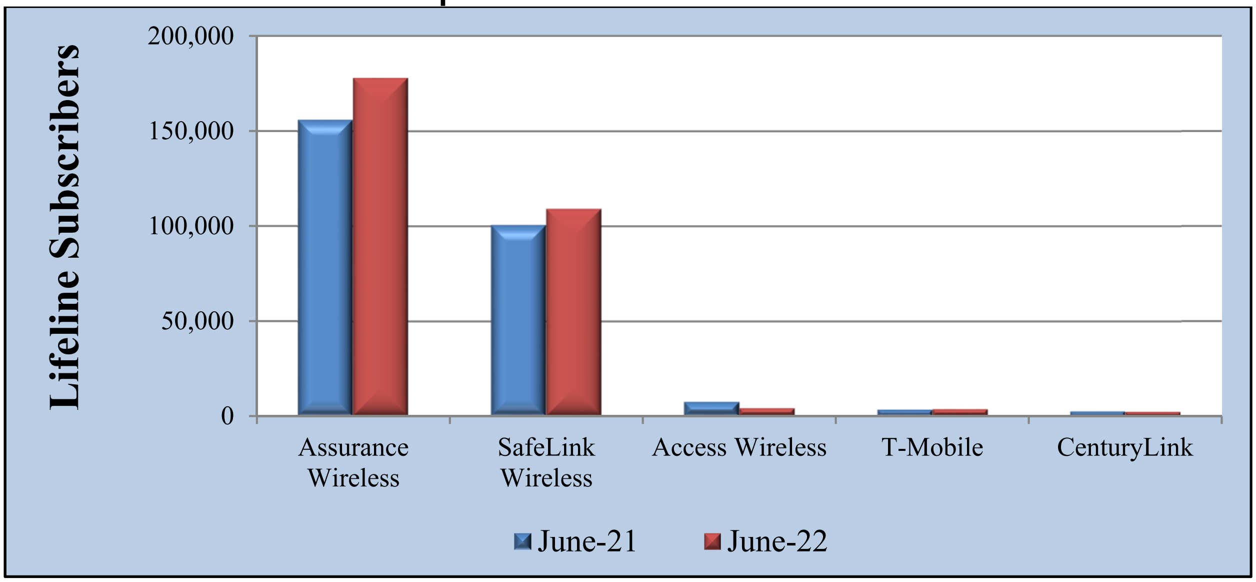
Source: Industry Responses to FPSC Data Requests (2019-2022) and USAC.

Figure 1 reflects sharp declines in Lifeline subscribers during the last two reporting periods. This is largely due to an FCC order to comply with non-usage rules that resulted in a significant number of customers being de-enrolled in September 2019, as well as the expiration of the FCC's COVID-related Lifeline non-usage rule waiver on April 30, 2021. A significant drop in subscribers was observed in June 2021, while participation throughout the remainder of the fiscal year appeared constant. Some of the increase seen in fiscal year 2021-2022 may be related to those consumers re-applying for the program.

Figure 2 shows the five Florida ETCs with the most Lifeline subscribers for June 2021 and 2022. Assurance Wireless remains the ETC with the highest number of Lifeline subscribers, with an increase of 22,134 Lifeline subscribers in Florida from June 2021 to June 2022. SafeLink

Wireless, the second largest Lifeline provider, had an increase of 8,665 Lifeline subscribers. For fiscal year 2021-2022, these two largest Lifeline providers represented 96 percent of the Florida Lifeline market.

Figure 2
Top Five Florida Lifeline ETCs



Source: Industry Responses to 2022 FPSC Data Requests and USAC.

Table 1 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 still significant growth opportunities for Lifeline enrollment. However, it should be noted that only carriers that have been designated as an ETC are permitted to recover the Lifeline discount from the USF. 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 1
Lifeline Participation Rate in Eligible Florida Households

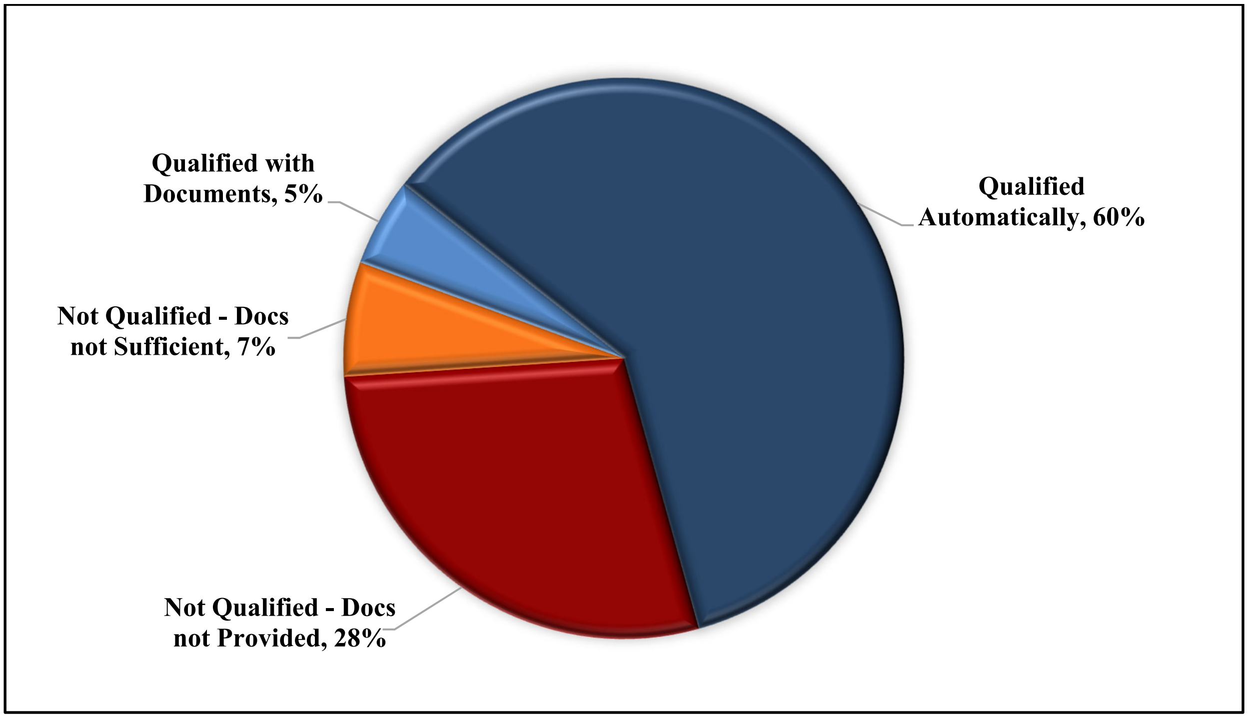
Year	Lifeline Enrollment	Eligible Households	Percent Participation Rate
June 2018	694,647	1,655,134	41.97%
June 2019	604,693	1,540682	39.25%
June 2020	371,180	2,151,503	17.25%
June 2021	273,641	1,882,842	14.53%
June 2022	300,285	1,590,216	18.88%

Source: Florida DCF, Access Florida: Standard Data Tables

While there was an increase in subscribership during fiscal year 2021-2022, the number of Lifeline eligible households decreased by 292,626.[12] As a result, the participation rate as of June 2022 grew to 18.88 percent. The current participation rate in the Lifeline program in Florida compared to the number of Lifeline eligible households, however, demonstrates the continued need for Lifeline outreach.

For fiscal year 2021-2022, the National Verifier received 1,350,474 applications from Florida. Figure 3 illustrates that 60 percent of these applications qualified automatically via qualifying program database connections that USAC has established with DCF and other federal agencies. By comparison, only 5 percent qualified through manual documentation review. While there was little change between the percentage of manually approved applications from last year, this years automated verification process increased 8 percent. Among the applications submitted, 35 percent did not qualify because they did not meet the program criteria or were not able to prove their eligibility within 45 days.

Figure 3
National Verifier Qualification Results in Florida



Source: USAC Lifeline Program Data (3Q 2021 to 2Q 2022)

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.

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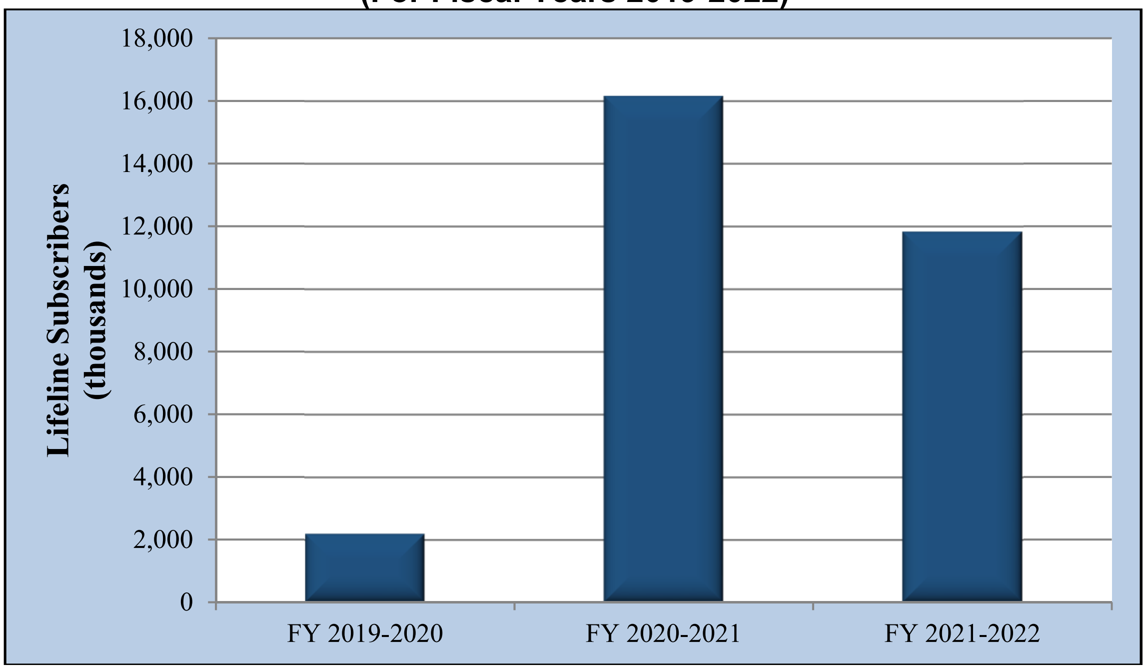
[12] Florida DCF, Access Florida: Standard Data Reports, https://www.myflfamilies.com/service-programs/access/StandardDataReports.asp, accessed on November, 2, 2022.

Figure 4 represents the average monthly number of Transitional Lifeline customers of Florida ETCs from fiscal year 2019-2020, through fiscal year 2021-2022. This fiscal year, the average number of monthly customers receiving the Transitional Lifeline benefit was 11,835, which represents a decrease in the number of average monthly customers by 4,327 compared to the prior fiscal year.

Figure 4
Average Monthly Transitional Lifeline Participants
(For Fiscal Years 2019-2022)



Source: Industry Responses to FPSC Data Requests (2019-2022).

Rather than offer a transitional discount, to comply with Section 364.105, F.S., TracFone offers its former Lifeline customers at least a 30 percent increase on the customer's chosen prepaid wireless service card. TracFone does not track Transitional Lifeline customers participating in this manner and, therefore, is not included in Figure 4. Additionally, T-Mobile did not respond to staff's data request concerning Transitional Lifeline and is likewise not included in Figure 4.

III. Lifeline Providers

Congress has granted state commissions the authority to designate carriers as ETCs if they meet certain requirements.[13] 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. To qualify as an ETC, a telecommunications carrier must offer services supported by federal USF program.[14] The carrier must advertise the availability of such services and charges. The services can be provided either using its own facilities or a combination of its own facilities and another carrier's resold service. A company applying for designation as an ETC must demonstrate good management and legitimate business practices to successfully provide Lifeline service.[15]

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, which have evolved to include buildout requirements. Currently, the FPSC only evaluates wireline ETC applications. Applications by wireless carriers in Florida are evaluated by the FCC.[16] Table 2 shows the 15 companies that were ETCs and participated in the Lifeline program in Florida as of June 30, 2022. Appendix B provides Lifeline enrollment figures for each ETC between 2019 and 2022.

Table 2
ETCs Participating in Florida

Access Wireless (i-wireless)	Phone Club Corporation
Assurance Wireless (T-Mobile)	SafeLink Wireless (TracFone)
Blue Stream Fiber (ITS)	Smart City Telecom
CenturyLink	TDS (Quincy Telephone Company)
Consolidated Communications (GTC)	T-Mobile
Frontier Communications of the South	Windstream
Frontier Florida, LLC	WOW! (Knology of Florida, Inc.)
NEFCOM (Northeast Florida Telephone Co.)	

Source: Industry Responses to 2022 FPSC Data Requests

T-Mobile ETC Relinquishment Petition

On September 1, 2022, T-Mobile submitted a petition to the FCC to relinquish its ETC status in Florida.[17] If approved, T-Mobile will no longer offer Lifeline services in Florida. However, Assurance Wireless, which is a subsidiary of T-Mobile, will retain its ETC designation and continue to offer Lifeline services in the same coverage area as T-Mobile. T-Mobile acquired Assurance Wireless, Florida's largest Lifeline provider, during the T-Mobile/Sprint merger in

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[13] Section 214(e)(2) of the Telecommunications Act of 1996.
[14] 47 Code of Federal Regulations (CFR) §54.101.
[15] 47 CFR §54.201(h).
[16] In 2011, the Florida Legislature passed HB 1231, removing FPSC authority to designate wireless ETC providers. Effective July 1, 2012, wireless providers must directly apply for Florida ETC designation with the FCC.
[17] T-Mobile, Petition, released on September 1, 2022, https://www.fcc.gov/ecfs/document/10901624823364/1, accessed on October 14, 2022.

2020.[18] T-Mobile has requested an effective date of December 31, 2022, for ETC relinquishment.

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, incumbent and competitive wireline carriers meet their Lifeline obligation predominantly through the provision of voice services. By comparison, wireless ETCs primarily offer bundled services that meet the federal standards for both voice and broadband. Two of the four wireless ETCs continue to provide voice-only service. Two and a half percent of SafeLink's customer base for 2022 includes voice-only service. These customers use 3G cellphones that will be phased out by the end of 2022.[19] Voice-only service is not offered to new Lifeline customers by SafeLink. T-Mobile currently offers a "Basic Rate Plan" service that does not include data.[20] Eligible customers may alternatively apply their discount towards any of T-Mobile's other more expensive publicly available service plans. Appendix C provides percentage of Lifeline subscriptions by service type for each carrier.

Table 3
Lifeline Subscription by Service Type
(As of June 2022)

Carrier Type	Voice	Broadband	Bundled
Wireless	1.1%	14.4%	84.5%
Incumbent Wireline	65.8%	12.2%	22.0%
Competitive Wireline	66.8%	27.0%	6.2%

Source: USAC Disbursements Florida

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 GB of data to Lifeline subscribers. While wireless carriers only have to meet either the voice or the data standard, carriers frequently offer some voice or data along with the service that meets the FCC's standard. Table 4 outlines different Lifeline services currently offered by wireless ETCs in Florida and how they qualify with the federal standards. Plans offered by Access Wireless, Assurance, and SafeLink are fully covered by the Lifeline subsidy, at no cost to the Lifeline consumer. Customers of these companies only have to pay for additional voice minutes or data beyond their phone plan as needed. By comparison, T-Mobile's Lifeline customers can apply the discount to any of its plans, with the customer responsible for

[18] FCC, Memorandum Opinion and Order, WT Docket No. 18-197, FCC 19-103, https://docs.fcc.gov/public/attachments/FCC-19-103A1.pdf, accessed September 21, 2021.
[19] FCC, Consumer Guide, https://www.fcc.gov/consumers/guides/plan-ahead-phase-out-3g-cellular-networks-and-service#:~:text=Verizon%20announced%20that%20it%20will,as%20of%20June%2030%2C%202022, accessed on October 19, 2022.
[20] T-Mobile, Questions about T-Mobile Lifeline?, https://www.t-mobile.com/offers/lifeline-program, accessed on November 1, 2022.

any additional costs. T-Mobile's service qualifications listed in Table 4 are for its least-cost "Basic Rate Plan" at $20 per month.[21]

Table 4
Lifeline Wireless Qualification Standard by Carrier
(As of September 2022)

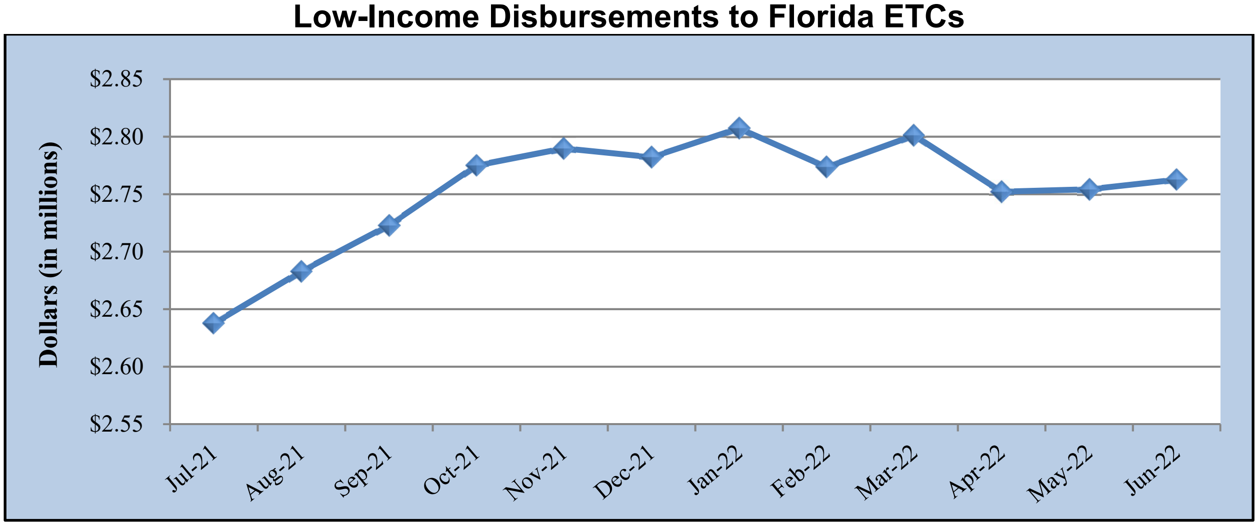
Wireless ETC	Federal Standards Met	Voice	Data
Access Wireless	Voice/Data	1,000 Minutes	4.5 GB
Assurance	Voice/Data	1,000 Minutes	4.5 GB
SafeLink	Data	350 Minutes	4.5 GB
T-Mobile	Voice	Unlimited	No Data

Source: Wireless ETC's websites

Funding Distributions

Figure 5 reflects USAC Lifeline disbursements to ETCs in Florida during fiscal year 2021-2022. The total amount disbursed during these 12 months was $33,041,313, with an average of $2.75 million per month. These amounts also include prior period support corrections. From July to November 2021, an increase of $150K in disbursements can be observed. This may have occurred as a result of customers being involuntarily de-enrolled after the FCC's COVID-related non-usage waiver ended on May 1, 2021, and consumers reapplying for the program afterwards.

Figure 5
Low-Income Disbursements to Florida ETCs



Source: USAC Disbursements Florida July 2021-June 2022, w/ amended data for SafeLink and Assurance Wireless.

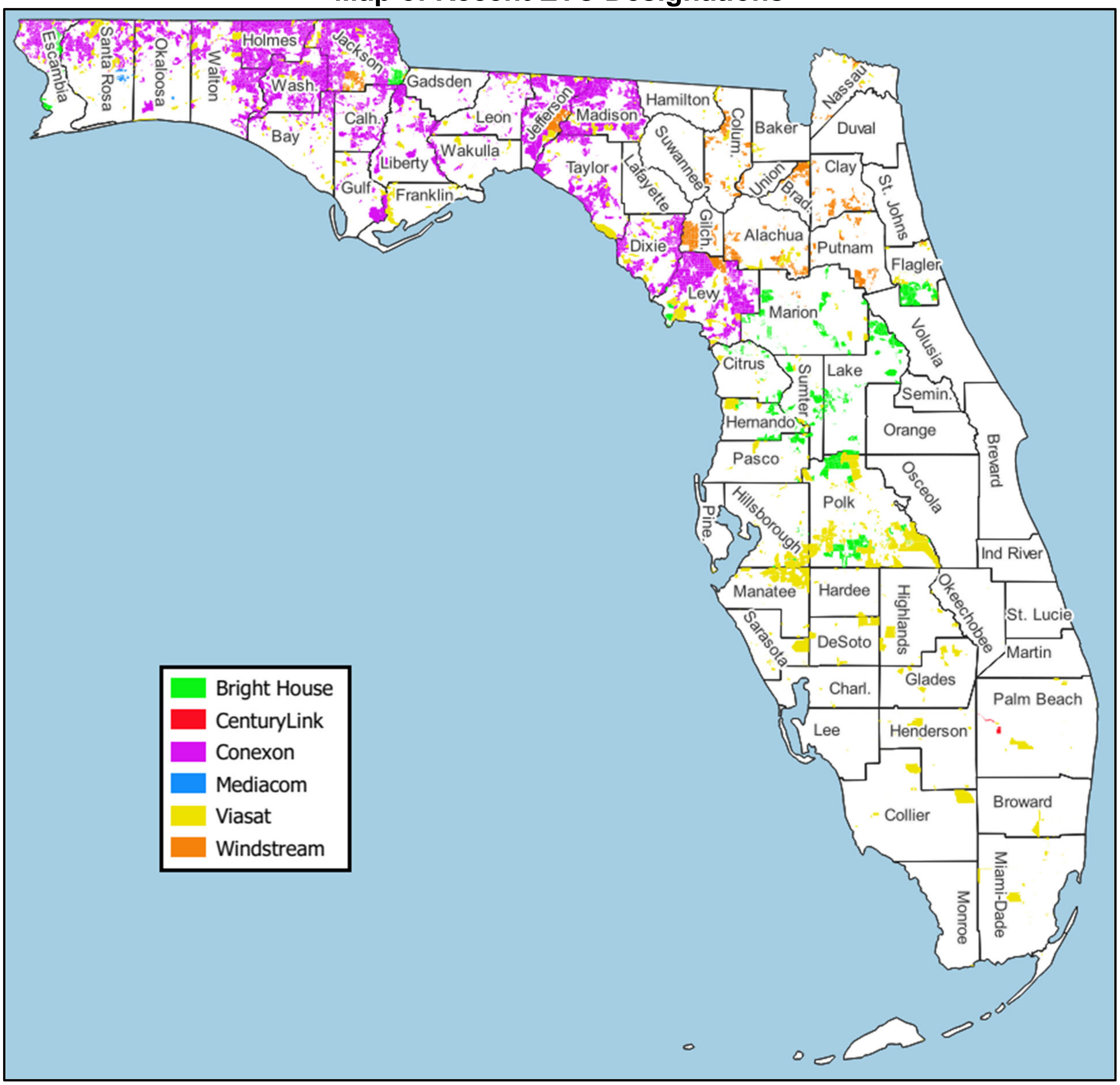
Recent ETC Designations

Florida has seen an increase in carriers applying either to the FPSC or the FCC to acquire ETC status in order to receive support from the Rural Digital Opportunity Fund (RDOF). The RDOF

[21] Ibid.

is a form of high-cost support that will award funding over 10-years to build out broadband capable networks in unserved areas.[22] During 2021 and 2022, three new companies were granted ETC status (Bright House, Conexon Connect, and Mediacom), and two expanded their exiting ETC service area (CenturyLink and Windstream). In addition to certain buildout requirements that are conditional upon receiving RDOF support, these ETCs are required to provide Lifeline service to least 40 percent of their newly designated areas by December 2025. Figure 6 identifies the areas where new Lifeline ETC designations have been assigned to carriers. These ETC designations are discussed further in Chapter IV.

Figure 6
Map of Recent ETC Designations



Source: USAC Census Data

[22] USAC, Rural Digital Opportunity Fund, https://www.usac.org/high-cost/funds/rural-digital-opportunity-fund/, accessed on September 20, 2022.

In 2019, the FCC granted Viasat, a satellite broadband company, ETC status in select areas in Florida to receive a different form of high-cost support.[23] Viasat is expected to have finished upgrading its network and be ready to provide Lifeline services in at least 40 percent of its designated service area by December 2022.[24]

[23] FCC, Order, WC 10-90, DA 19-925, released on September 18, 2019, https://docs.fcc.gov/public/attachments/DA-19-925A1.pdf, accessed on October 20, 2022.

[24] 47 CFR § 54.310(c).

IV. Regulatory Activities and Updates

A. Federal Communications Commission Activities

Phase Out of Voice-Only Support

On April 27, 2016, the FCC released its Lifeline Modernization Order.[25] This Order was primarily established to modernize the Lifeline program by including broadband as a supported service, designating minimum service standards for Lifeline services, and establishing the National Verifier. Implementation of this Order continues to have an impact on the federal Lifeline program.

In the Order, the FCC established a timeline to gradually phase out support for voice-only services to further its goal of transitioning to a broadband-focused Lifeline program. On December 1, 2019, the support provided for voice-only services was reduced to $7.25 per Lifeline customer. Support for voice-only Lifeline service was scheduled to be completely phased out on December 1, 2021. However, the FCC has twice delayed the complete phase out of voice-only Lifeline support. Pursuant to its most recent Order, support for voice-only Lifeline services will continue to be available through November 30, 2023.[26] In this Order, the FCC stated that new data from its Communications Marketplace Report, and other extenuating circumstances, have provided evidence that favors pausing the phase-down. Therefore, support for voice-only Lifeline service will remain at $5.25 until that time. Broadband services that include a voice service will continue to be eligible to receive Lifeline support after the new phase-out date. Table 5 outlines the FCC's revised phase down schedule.

Table 5
Lifeline Support Transition Schedule

Effective Dates	Fixed Voice	Mobile Voice	Fixed Broadband	Mobile Broadband
From 12/1/19 to 11/30/20	$7.25	$7.25	$9.25	$9.25
From 12/1/20 to 11/30/23	$5.25	$5.25	$9.25	$9.25
After 11/30/23	$0	$0	$9.25	$9.25

Source: FCC 2016 Lifeline Modernization Order (FCC 16-38)

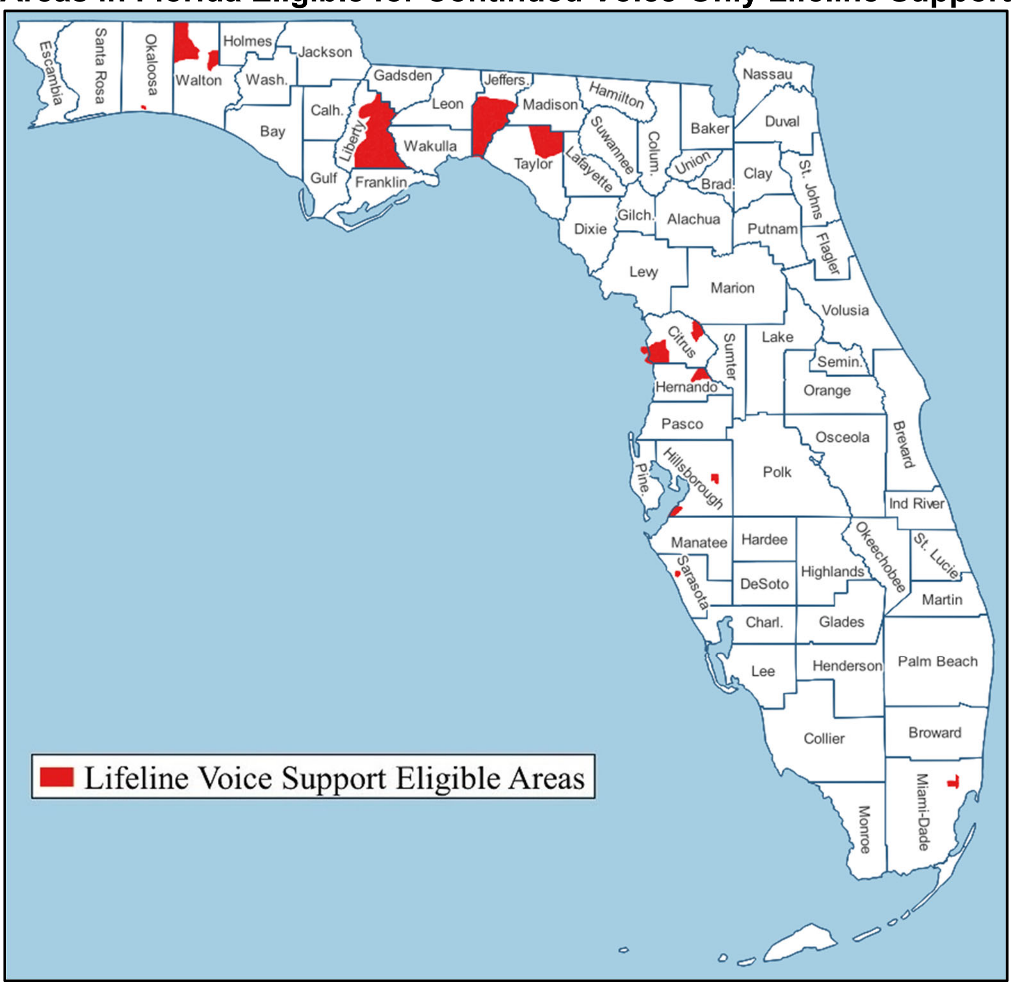
The FPSC filed comments with the FCC asserting that customers should continue to receive Lifeline support for voice-only service and that the FCC should eliminate its planned phase down of support.[27] The FPSC noted its concern that if the only option to obtain Lifeline voice service is by combining the service with broadband, the cost of the combined services may become cost prohibitive for some consumers, without increasing financial support from the Lifeline program. The shift in support offered for voice-only support appears to have continued to cause a shift in

[25] FCC, Third Report and Order, FCC 16-38, WC Docket No. 11-42, released on April 27, 2016, https://docs.fcc.gov/public/attachments/FCC-16-38A1.pdf, accessed on October 14, 2022.
[26] FCC, Order, DA 22-706, WC Docket No. 11-42, released on July 1, 2022, https://docs.fcc.gov/public/attachments/DA-22-706A1.pdf, accessed on October 14, 2022.
[27] FPSC, Comments to FCC, WC Docket No. 17-287, filed on February 21, 2018, https://www.fcc.gov/ecfs/document/1022171092868/1, accessed on October 14, 2021.

Florida's ETC service offerings to focus on broadband and bundled voice and broadband services.[28] Once voice-only support is phased out, ETCs that exclusively offer voice-only Lifeline service will likely relinquish their ETC designations.

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, the FCC released a public notice identifying the census blocks eligible to continue receiving the $5.25 support amount for voice-only Lifeline service.[29] The list of eligible census blocks will be evaluated annually by the FCC and will continue through November 30 of the year that an eligible census block is identified as being served by more than one Lifeline provider. 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 7 highlights the areas eligible to continue receiving voice-only support.

Figure 7
Areas in Florida Eligible for Continued Voice-Only Lifeline Support



Source: FCC, Shapefile by Census Tracts

[28] See Appendixes B and C.
[29] FCC, Public Notice, DA 21-640, https://docs.fcc.gov/public/attachments/DA-21-640A1.pdf, accessed on October 14, 2022.

Emergency Broadband Benefit Program

On December 27, 2020, the Consolidated Appropriations Act of 2021 became law, establishing the Emergency Broadband Connectivity Fund consisting of $3.2 billion from the United States Treasury being allocated towards helping Americans afford Internet service during the COVID-19 pandemic. The Emergency Broadband Benefit program (EBB) was established to provide funding for low-income households to receive a discount on the cost of broadband and certain connected devices. The fund allowed eligible service providers to apply for an expedited approval process to participate in the program; not to be confused with the ETC application process, since approved providers were not given ETC status. The EBB offered a discount of up to $50 a month on broadband service and associated equipment rentals, as well as a one-time discount of up to $100 for qualifying broadband access devices.[30]

Affordable Connectivity Program

On December 31, 2021, the FCC launched the Affordable Connectivity Program (ACP).[31] This program replaced the EBB program. During the transition, the over 9 million households fully enrolled in the EBB Program as of December 31, 2021, continued to receive their current monthly benefit until March 1, 2022. The ACP provides a discount of up to $30 per month toward Internet service for households that are eligible. Those eligible can also receive a one-time credit of up to $100 to purchase a connected device from participating providers, provided they contribute between $10 and $50 toward the cost of purchase. Enrollment in the ACP is open for households with at least one member qualifying under the following criteria:

- Income is at or below 200 percent of the federal poverty guidelines
- Participates in certain assistance programs, such as Lifeline, SNAP, Medicaid, Federal Public Housing Assistance, SSI, or Supplemental Nutrition Program for Women, Infants, and Children
- Participates in Tribal specific programs, such as Bureau of Indian Affairs General Assistance or Food Distribution Program on Indian Reservations
- Is approved to receive benefits under the free and reduced-price school lunch program or the school breakfast program, including through the United States Department of Agriculture Community Eligibility Provision
- Received a Federal Pell Grant during the current award year
- Meets the eligibility criteria for a participating provider's existing low-income program

The ACP allows consumers to choose the service plan that best meets their needs, without early termination fees if they change providers. Participants can gain broadband access regardless of credit status or prior debt with a broadband provider. Only one monthly service discount and device credit is allowed per household.[32] While the ACP is distinct from the Lifeline program,

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[30] Qualifying broadband access equipment includes laptops, tablets, and desktop computers.

[31] FCC, FCC News Release, released on January 4, 2022, https://docs.fcc.gov/public/attachments/DOC-378908A1.pdf, accessed October 14, 2022

[32] USAC, Affordable Connectivity Program, https://www.affordableconnectivity.gov/, accessed on October 14, 2022.

wireless ETCs frequently utilize the ACP to provide broadband capable cellphones to their Lifeline customers.

Lifeline Rule Waivers

On March 17, 2020, the FCC released the first of a series of twelve Orders related to Lifeline rule waivers as a result of the COVID-19 pandemic.[33] In several of the relating orders, the FCC suspended the non-usage rule, ensuring enrolled consumers would not be removed from the program if they did not meet the FCC usage criteria. The FCC allowed the non-usage waiver period to expire on April 30, 2021.[34] By comparison, the FCC's waiver of rules relating to recertification and reverification of eligibility were in effect until September 30, 2022.[35] The Lifeline recertification process allows the FCC and USAC to ensure that subscribers receiving the Lifeline benefit continue to be eligible for the program.

On September 28, 2022, Hurricane Ian struck Florida's Gulf Coast, causing catastrophic flooding and power outages to homes and businesses throughout the southwestern region of the state. More than two million people lost power, and the remaining damage is expected to take time to recover. To mitigate the disruption to affected Lifeline consumers, the FCC on its own motion ordered that the Lifeline non-usage, recertification, and reverification requirements for subscribers residing in the affected disaster areas be waived through November 30, 2022.[36]

B. Florida Public Service Commission Activities

Actions to Prevent Waste, Fraud, and Abuse of the Universal Service Fund

Florida continues to enforce safeguards to prevent waste, fraud, and abuse of the USF. The FPSC strives to protect the integrity of the Lifeline program in Florida and takes appropriate enforcement action when necessary. The FPSC has statutory authority to grant wireline ETC designations and can also revoke ETC status when warranted.

Unlawful and inappropriate federal USF disbursements are inconsistent with public trust and negatively impact all contributors to the fund. This is especially true for states like Florida that contribute more into the USF than it receives. Therefore, the FPSC monitors federal USF disbursements to Florida ETCs to ensure that funds are being disbursed and expended according to state and federal regulations and guidelines.

Lifeline Electronic Coordinated Enrollment Process

In 2007, Florida implemented the Lifeline Electronic Coordinated Enrollment Process. This process involved a computer interface between the FPSC and DCF to process Lifeline applications for people who were approved for the Medicaid and SNAP programs.

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[33] USAC, FCC COVID-19 Response, https://www.usac.org/lifeline/resources/covid-19-response/, accessed on October 14, 2022.

[34] FCC, Order, WC Docket No. 11-42, DA 21-229, released on February 24, 2021, https://docs.fcc.gov/public/attachments/DA-21-229A1.pdf, accessed on October 19, 2022.

[35] FCC, Order, WC Docket No. 11-42, DA 22-691, released June, 30, 2022, https://docs.fcc.gov/public/attachments/DA-22-691A1.pdf, accessed on October 19, 2022.

[36] FCC, Order, WC Docket No. 11-42, DA 22-1063 released October 4, 2022, https://docs.fcc.gov/public/attachments/DA-22-1063A1.pdf, accessed on October 14, 2022.

Prior to the National Verifier, customers identified through this process would be automatically considered eligible and enrolled in Lifeline service by a selected ETC. However, now that eligibility is determined only by the National Verifier, ETC's must now contact the customer to determine if they have already been approved for the Lifeline program through the National Verifier.

For those customers who have not yet applied for the program, ETCs will either instruct customers on how to apply or assist these customers with their applications in person. If a customer mistakenly identifies an ETC that does not serve the area in which they live, the FPSC sends instructions on how to apply through the National Verifier, along with a list of each ETC's contact information. Between January and October 2022, the FPSC sent 40,386 such letters to eligible households.

Recent ETC Designations

On December 7, 2020, the FCC announced the winning bidders of the Rural Digital Opportunity Fund (RDOF) auction. The RDOF is a form of high-cost support intended to help connect millions of unserved rural homes and small businesses to high-speed broadband. In Florida, a total of 11 bidders were selected to receive approximately $192 million of high-cost support in Phase I. As a condition of receiving funding, the carriers were required to obtain ETC designation that covered their winning bid areas.

Following the completion of the RDOF bidding process, the FPSC evaluated ETC applications for several winning bidders.[37] If a company's ETC application is approved, that company would be eligible for high-cost support under the RDOF program, but would also have to offer Lifeline service. While the FPSC has the primary jurisdiction over ETC designation, federal law provides for the FCC to make such designations in instances were a state commission lacks jurisdiction.[38] In 2021, the FPSC evaluated six winning RDOF bidders in Florida for ETC designation.[39]

To be designated as an ETC by the Commission, a carrier must meet the definition of a "telecommunications company" according to Section 364.02(13), F.S.[40] Furthermore, Section 364.011, F.S., establishes that companies using satellites, wireless technology, and VOIP to provide services are outside of the Commission's jurisdiction. As a result, four ETC petitioners were directed to apply for ETC designation with the FCC. Bright House Networks Information Services (Florida), LLC, and CenturyLink Communications, LLC were found to be carriers within the Commission's jurisdiction, and therefore, designated as ETCs by the FPSC. While federal law requires that carriers designated as ETCs by the FCC abide by all applicable state law, the FPSC has received positive confirmation through data request responses from each of the ETC applicants that Florida Statutes will be adhered to regardless of the designating agency. Because the program provides for an opportunity for carriers to buildout their network, none of these companies have an obligation to offer Lifeline discounts at this time.

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[37] Starlink Services, LLC, Hotwire Communications Ltd., Bright House Networks Information Services (Florida), LLC, CenturyLink Communications, LLC, Windstream Communications, LLC, and AB Indiana LLC.
[38] 47 U.S.C. 54.201
[39] See FPSC Docket No.'s 20210011, 20210012, 20210013, 20210047, 20210070, and 20210110.
[40] FPSC Order No. PSC-2021-0222-PAA-TX, Docket No. 20210013-TX, pp. 3-4.

V. Lifeline Promotion Activities

Promotional activities in 2022 featured National Lifeline Awareness Week and National Consumer Protection Week, and 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 Lifeline Awareness Week and educate consumers on the nationwide implementation of a consumer-friendly Lifeline National Eligibility Verifier by USAC. The national effort also ensures that low-income families and individuals are aware of the Lifeline program and understand the participation requirements, including annual recertification and one discount per household. 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. For the past few years, the FPSC has held both virtual and in-person Lifeline events to accommodate many of Florida's senior and community centers that continue to operate with restrictions.

National Lifeline Awareness Week

NARUC and the FCC have designated the week following Labor Day in September each year as Lifeline Awareness Week. "*Stay Connected Florida!*" was Florida's slogan for 2022 Lifeline Awareness Week, September 12-16. In addition to increasing awareness among eligible citizens, Lifeline Awareness Week continued educating residents about the discount on voice and broadband services.

This year, Florida's outreach focused on senior and community centers, area agencies on aging, and housing and neighborhood developments in Columbia, Palm Beach, Alachua, Lee, and Polk Counties. Lifeline information is also readily available on the FPSC's website.[41]

National Consumer Protection Week

National Consumer Protection Week (NCPW), March 6-12, 2022, provided a good opportunity for Lifeline outreach activities. An annual consumer education 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 Andrew Fay recognized the 24th Annual NCPW by highlighting Lifeline, and raising awareness about online privacy and securing personal information. For NCPW 2022, the FPSC met with consumers at the Jefferson County Senior Citizens Center and the Senior Citizens Council of Madison County.

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[41]FPSC, Lifeline Assistance Webpage, http://www.floridapsc.com/ConsumerAssistance/LifelineAssistance, accessed on November 2, 2022.

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. "Age My Way" was this year's theme. The FPSC partnered with centers in Hamilton, Suwanee, Lafayette, and Leon Counties to meet with seniors in-person and distribute information on Lifeline and utility bill reduction strategies to area seniors. Virtual meetings were held with senior centers in Sarasota, Charlotte, Putnam and DeSoto Counties.

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 617 state public libraries and branches in 2022. To reduce mailing and production costs, the Commission's 2022 Campaign was accomplished electronically. Following the Campaign, many libraries' requests for additional publications continue to be filled.

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 two virtual monthly meetings or train-the-trainer events to promote Lifeline.

Each quarter, 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 2022 include: City of Doral, Florida Impact to End Hunger, the Friendship Senior Centers, Inc., and the Lifestyle Enrichment Center.

Lifeline Partners

The local, state, and federal agencies, organizations, businesses, and telecommunications companies listed in Appendix D 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.

Appendix A
2022 U.S. Poverty Guidelines

Persons in family/household	2022 U.S. Federal Poverty Guidelines	135% of Federal Poverty Guidelines	Monthly income at 135% of Federal Poverty Guidelines
1	13,590.00	18,346.50	1,528.88
2	18,310.00	24,718.50	2,059.88
3	23,030.00	31,090.50	2,590.88
4	27,750.00	37,462.50	3,121.88
5	32,470.00	43,834.50	3,652.88
6	37,190.00	50,206.50	4,183.88
7	41,910.00	56,578.50	4,714.88
8	46,630.00	62,950.50	5,245.88

Source: Department of Health and Human Services. Annual Update of the Department of Health and Human Service Poverty Guidelines. Federal Register Notice, January 1, 2022, https://www.federalregister.gov/documents/2022/01/21/2022-01166/annual-update-of-the-hhs-poverty-guidelines, accessed on October 5, 2022.

Appendix B
Lifeline Enrollment and Year-to-Year Net Growth Rate

	ETCs	June 2019	June 2020	Net Growth Rate	June 2021	Net Growth Rate	June 2022	Net Growth Rate
Wireless	Assurance Wireless	411,114	222,128	-46%	155,848	-30%	177,982	14%
	SafeLink Wireless	167,966	130,362	-22%	100,463	-23%	109,128	9%
	Access Wireless	14,795	8,740	-41%	7,566	-13%	4,136	-45%
	T-Mobile	2,489	3,307	33%	3,523	7%	3,608	2%
Incumbent Wireline	CenturyLink	3,875	3,056	-21%	2,652	-13%	2,153	-19%
	Frontier Florida	1,690	1,405	-17%	1,478	5%	1,249	-15%
	Windstream	1,332	1,274	-4%	1,289	1%	1,361	6%
	Consolidated Communications	329	275	-16%	255	-7%	189	-26%
	NEFCOM	221	179	-19%	169	-6%	138	-18%
	TDS Telecom	112	98	-13%	88	-10%	77	-13%
	AT&T	89	70	-21%	58	-17%	0	-100%
	Blue Stream Fiber (ITS)	20	58	190%	37	-36%	30	-19%
	Frontier of the South	19	21	11%	19	-10%	17	-11%
	Smart City	3	4	33%	3	-25%	6	100%
Competitive Wireline	Phone Club	143	158	10%	138	-13%	138	0%
	WOW!	50	45	-10%	55	22%	73	33%
	Cox Telecom	409	0	0%	0	0%	0	0%
	Tele Circuit	37	0	0%	0	0%	0	0%
	Total	694,647	371,180	-39%	273,641	-26%	300,285	10%

Source: FPSC Data Requests 2019-2022

Appendix C
Percent of Lifeline Subscription by Service Type
(as of June 2022)

	ETCs	Voice	Broadband	Bundled
Wireless	Assurance Wireless	0%	0%	100%
	SafeLink Wireless	2.5%	35.5%	62%
	Access Wireless	0%	0.6%	99.4%
	T-Mobile	7.5%	0.2%	92.3%
Incumbent Wireline	CenturyLink	91.5%	1.8%	6.7%
	Frontier Florida	69.9%	13.1%	17%
	Windstream	18.6%	29.2%	52.2%
	Consolidated Communications	94.9%	4.1%	1.0%
	NEFCOM	56.5%	2.2%	41.3%
	TDS Telecom	79.5%	0%	20.5%
	AT&T	0%	0%	0%
	Blue Stream Fiber (ITS)	13.8%	62.1%	24.1%
	Frontier of the South	66.7%	15.1%	18.2%
	Smart City	16.7%	66.6%	16.7%
Competitive Wireline	Phone Club	100%	0%	0%
	WOW!	4.1%	78.1%	17.8%
	Total	2.2%	14.4%	83.4%

Source: USAC Disbursements in Florida and data request responses from SafeLink and Assurance.

Appendix D
Agency, Organization, and Business Lifeline Partners

Florida Lifeline Partners	
1000 Friends of Florida, Inc.	Community Legal Services
A Caring Hand Home Care	Communities In Schools Foster Grandparent Program
AARP–Florida Chapter	Community Legal Services
Ability Housing of Northeast Florida	Community Partnership Group
ACCESS Florida Community Network Partners	Corporation to Develop Communities of Tampa, Inc.
Agency for Health Care Administration	Deaf & Hard of Hearing Services of NW Florida, Inc.
Agency for Persons with Disabilities	Disability Rights Florida
Aging Matters in Brevard County	Elder Options
Aging True Community Senior Services	Elder Source
Aging With Dignity	Faith Radio Station and other Florida radio stations
Aging Solutions, Inc.	Federal Social Security Admin - Tallahassee District
Alliance for Aging, Inc.	Feeding South Florida
America's Second Harvest of the Big Bend, Inc.	First Quality Home Care
Area Agencies on Aging	Florida Alliance for Information and Referral Services
ASPIRE Health Partners	Florida Assisted Living Association
Big Bend 2-1-1 and other 2-1-1 Agencies	Florida Association for Community Action
Boley Centers, Inc.	Florida Association of Community Health Centers
Braille and Talking Book Library	Florida Association of Counties
Brain Injury Association of Florida, Inc.	Florida Association of County Human Service Admin
Bridges at Riviera Beach	Florida Association of the Deaf, Inc.
Bridgeway Center, Inc.	Florida Association of Food Banks
Broward County Elderly & Veterans Services Division	Florida Assn. of Housing & Redevelopment Officials
Bureau of Indian Affairs Programs	Florida Coalition for Children
Capital Area Community Action Agency, Inc.	Florida Coalition for the Homeless
CARES of Florida	Florida Council on Aging
Carrfour Supportive Housing	Florida Deaf Services Centers Association
Catholic Charities of Central Florida	Florida Dept. of Business & Professional Regulation
Center for Hearing and Communication	Florida Department of Children and Families
Centers for Drug Free Living	Florida Department of Economic Opportunity
Centers for Independent Living	Florida Department of Education
Central Florida Community Action Agency	Florida Department of Elder Affairs
City and County Consumer Assistance Departments	Florida Department of Revenue
City and County Consumer Assistance Departments	Florida Department of Veterans' Affairs
City and County Housing Authorities	Florida Developmental Disabilities Council
City and County Social Programs	Florida Elder Care Services
Coalition of Florida Farmworker Organizations, Inc.	Florida Highway Safety and Motor Vehicles
Communities In Schools Foster Grandparent Program	Florida Housing Authorities

Florida Lifeline Partners (continued)	
Florida Home Partnership	NAACP (Florida Associations)
Florida Hospital Association	National Church Residences
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 Senior Medicare Patrol	Senior Medicare Patrol
Florida Senior Program	Senior Resource Alliance
Florida Telecommunications Relay, Inc.	Senior Solutions
Florida Voters League	Seniors First
Good News Outreach	SHINE Program
Goodwill Industries of Central Florida	South East American Council, Inc.
Habitat for Humanity – Florida	Tallahassee Memorial Hospital
HANDS of Central Florida	Tallahassee Urban League
Hemophilia Foundation of Greater Florida	Tampa Vet Center
Hispanic Office for Local Assistance	Three Rivers Legal Services, Inc.
HOPE Community Center	U.S. Department of Housing and Urban Development
HOPE Connection	United Home Care Services
League for the Hard of Hearing	United Way of Florida
Leon County School Board	Urban Jacksonville
Little Havana Activities and Nutrition Centers	Urban Leagues of Florida
Living Stones Native Circle	Wakulla County Senior Citizens Council
Marion Senior Services	Walton County Council on Aging
Miccosukee Tribe of Indians of Florida	Washington County Council on Aging
Mid-Florida Housing Partnership, Inc.	We Care-Jacksonville
Monroe County Social Services	

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 16, 2022

TO: Braulio L. Baez, Executive Director

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

RE: Draft of the 2022 Regulatory Assessment Fee Report

CRITICAL INFORMATION: ACTION IS NEEDED - Please place on the November 29, 2022, Internal Affairs. **Commission approval of draft report is sought.** The 2022 Report is due to the Governor, the President of the Senate, and the Speaker of the House of Representatives, by January 15, 2023.

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
Keith Hetrick, General Counsel

DRAFT

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

As of December 2022

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

As of December 2022

Office of Industry Development and Market Analysis

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 286 telecommunications companies in some way as of November 1, 2022. 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 274 full time positions for the 2022/2023 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 2022 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.

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[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. Staff has conducted periodic internal cross training on its remaining responsibilities, through both scheduled office-wide training sessions and temporary transfers of job duties. Staff 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 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: November 18, 2022

TO: Braulio L. Baez, Executive Director

FROM: Office of Industry Development & Market Analysis (Williams, Fogleman) CH
Office of the General Counsel (Imig) AH

RE: Recertification of Florida's Relay Program with the Federal Communications Commission.

CRITICAL INFORMATION: Please place on the November 29, 2022 Internal Affairs. **APPROVAL OF ATTACHMENT A IS SOUGHT FOR INCLUSION IN THE RELAY RECERTIFICATION FILING.** The recertification filing is due to the FCC by December 1, 2022.

Telecommunications Relay Service (TRS) enables persons who are Deaf, Hard of Hearing, Deaf-Blind, or Speech Impaired to access the telecommunications system to communicate with voice telephone users. Congress created the TRS program in Title IV of the Americans with Disabilities Act of 1990 and codified it at Section 225 of the Communications Act of 1934, as amended. TRS services are intended to be functionally equivalent to voice telephone service. The TRS regulations set forth mandatory minimum standards that TRS providers must follow in offering service and are intended to ensure that TRS meets the functional equivalency mandate. Pursuant to Section 225, states and territories must obtain certification from the Federal Communications Commission (FCC) to operate their own TRS program. Further, FCC rules require states and territories to apply for recertification every five years demonstrating that they are in compliance with federal rules. The Florida Public Service Commission (FPSC) last certified TRS in Florida in 2017.

Staff is requesting approval of Attachment A for inclusion in the relay recertification filing. Copies of the complete draft filing are available for review if requested.

Attachment

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

The FCC has primary regulatory oversight over TRS programs. Section 225(f)(1) of the Communications Act authorizes the FCC to certify state TRS programs, affirming that the FCC shall certify a state program if it determines that:

> (A) the program makes available to hearing-impaired and speech-impaired individuals, either directly, through designees, through a competitively selected vendor, or through regulation of intrastate common carriers, intrastate telecommunications relay services in such State in a manner that meets or exceeds the requirements of regulations prescribed by the Commission under subsection (d) of this section; and
>
> (B) the program makes available adequate procedures and remedies for enforcing the requirements of the State program.

The FPSC has oversight authority for the Florida Relay program pursuant to Section 427.704(1), Florida Statutes:

> The commission shall establish, implement, promote, and oversee the administration of a statewide telecommunications access system to provide access to telecommunications relay services by persons who are hearing impaired or speech impaired, or others who communicate with them. The telecommunications access system shall provide for the purchase and distribution of specialized telecommunications devices and the establishment of statewide single provider telecommunications relay service system which operates continuously.

On September 26, 2022, the FCC released a Public Notice (DA 22-1007) to inform states that current TRS certifications for all states and territories will expire July 25, 2023. The FCC requests that applications for renewal of relay certifications be filed by December 1, 2022. Once the recertification petitions are filed by the states, the FCC will release Public Notices seeking comments on the filings.

The state certification process is intended to ensure that TRS is provided in a uniform manner throughout the United States and territories. The FCC is specific about what must be included in a relay recertification filing. The draft filing contains documentation that Florida meets or exceeds all of the applicable mandatory minimum standards set forth in Section 64.604 of the Code of Federal Regulations.

Attachment A to this memorandum includes a draft state program narrative created by staff. The remainder of the filing was provided by Sprint Communications Company, L.P. (Sprint), a subsidiary of T-Mobile. Although the filing is voluminous, the majority of it contains copies of the following reference information:

- Operational, technical, and functional relay standards from Sprint;
- TRS Program Certification;
- Appendix A: FCC Minimum Standards Matrix;
- Appendix B: Communications Assistant Training Outline;

- Appendix C: Confidentiality Agreement;
- Appendix D: Disaster Recovery;
- Appendix E: Florida TRS Information in Telephone Directories;
- Appendix F: Florida Relay Complaint Logs June 2017 to May 2022;
- Appendix G: Outreach Examples;
- Appendix H: Florida Statute addressing TRS in Florida;
- Appendix I: Award Announcing Sprint as Florida's TRS Provider;

Florida Relay FCC TRS Certification Renewal and Supporting Documents

The Florida Public Service Commission (FPSC) has prepared the following narrative and attached appendices to comply with the FCC TRS Certification Renewal Application.[1] The FPSC prepared this TRS Certification Renewal Application with the assistance of T-Mobile.

The FPSC is contracted with Sprint Communications Company L.P. (Sprint) to provide Telecommunications Relay Service (TRS) in Florida. Sprint is an indirect, wholly owned subsidiary of T-Mobile. The contract with Sprint meets or exceeds all operational, technical, and functional standards pertinent to the FCC mandates as specified in 47 C.F.R. §64.604, and there are no conflicts with federal law.

Appendix A outlines how Sprint meets or exceeds the federal minimal standards as reported by T-Mobile. While Sprint provides Internet Protocol Relay, the FPSC does not contract to provide Internet or web-based relay services in Florida, nor is the FPSC responsible for oversight of these services.

The FCC has requested that each TRS Certification Renewal application respond to the minimum mandatory FCC TRS requirements for providing TRS and that each state include procedures and remedies for enforcing any requirements imposed by state programs. Additionally, the FCC requested that exhibits such as outreach presentations, promotional items, consumer training materials, and consumer complaint logs be included with the information provided.

The Appendices included with this TRS Certification Renewal Application are as follows:

- Appendix A: FCC Minimum Standards Matrix;
- Appendix B: Communications Assistant Training Outline;
- Appendix C: Confidentiality Agreement;
- Appendix D: Disaster Recovery;
- Appendix E: Florida TRS Information in Telephone Directories;
- Appendix F: Florida Relay Complaint Logs June 2017 to May 2022;
- Appendix G: Outreach Examples;
- Appendix H: Legislation Establishing TRS in Florida;
- Appendix I: Award Announcing Sprint as Florida's TRS Provider;
- Appendix J: Notifications of Substantive Program Changes.

[1] FCC, Public Notice, CG Docket No. 03-123, DA 22-1007, released on September 26, 2022.

State Program Narrative

The Florida Legislature enacted the Telecommunications Access System Act of 1991 (TASA) in order to establish a system whereby the citizens of Florida who are Deaf, Hard of Hearing, Deaf-Blind, or Speech Disabled have access to basic telecommunications services at a cost no greater than that paid by other telecommunications service customers. The cost of specialized telecommunications equipment necessary to ensure that citizens who are Deaf, Hard of Hearing, Deaf-Blind, or Speech Disabled have access to basic telecommunications services and the provision of telecommunications relay service is borne by all telecommunications customers of the state.

In order to accomplish the stated goals of TASA, the FPSC was given the responsibility to establish, implement, promote and oversee the administration of a statewide telecommunications access system to provide access to telecommunications relay services by persons who are Deaf, Hard of Hearing, Deaf-Blind, or Speech Disabled, or those who communicate with them. The telecommunications access system provides for the purchase and distribution of specialized telecommunications devices and the establishment of a statewide single provider of telecommunications relay service. The FPSC is required to determine the most cost-effective method for providing telecommunications relay service and distributing specialized telecommunications devices. The users of telecommunications relay service are to pay rates no greater than the rates paid for functionally equivalent voice communication services. The privacy of the users of relay service must be maintained and the operators must maintain the confidentiality of the relay service messages. The relay service system must comply with the regulations adopted by the Federal Communications Commission (FCC) to implement Title IV of the Americans with Disabilities Act.

In order to assist the FPSC, TASA directed that an advisory committee be established. The advisory committee is appointed by the FPSC and consists of members that can present the perspective of the Deaf, Hard of Hearing, Deaf-Blind, or Speech Disabled community and the telecommunications industry. The advisory committee advises the FPSC on matters relating to the quality and cost-effectiveness of the telecommunications relay service and the distribution of the specialized telecommunications devices.

In May 1991, the FPSC directed the local exchange companies to form a not-for-profit corporation, as required by TASA, to serve as administrator of the telecommunications access system. Florida Telecommunications Relay, Inc. (FTRI) was thus created to administer the distribution of specialized equipment.[2] FTRI has the responsibility of purchasing, storing, distributing and maintaining the specialized telecommunications devices and training users on how to operate the equipment. FTRI is also responsible for outreach and advertising for the telecommunications access system. Finally, FTRI is responsible for maintaining an operational fund and making payments to the relay provider for services rendered.

[2] FPSC, Docket No 19910496-TP, Telecommunications Access System Act of 1991, Order No. 24462, issued May 1, 1991, http://www.floridapsc.com/library/filings/1991/04253-1991/04253-1991.pdf, accessed on October 13, 2022.

A monthly surcharge is assessed and appears on the bill for each access line a subscriber obtains from a local exchange telecommunications company. The surcharge is assessed to recover the costs associated with relay provider charges, outreach, equipment purchase and distribution, and the administrative costs associated with FTRI. The FPSC determines the amount of the surcharge at least once annually. The current surcharge is \$0.10 per line per month (up to 25 lines per account); however, the surcharge has ranged from a low of \$0.05 to a high of \$0.15 per line per month in previous years. Under TASA, the surcharge is capped at \$0.25 per line per month. The local exchange telecommunications companies are responsible for collecting and remitting the surcharge to FTRI.

The relay provider is selected by the FPSC through a Request for Proposals (RFP) process. Sprint and the FPSC signed a contract for the provision of relay services that began on March 1, 2022, for a period of three years ending February 28, 2025. The current Sprint contract fee is \$1.60 per session minute for traditional TRS and \$1.67 per session minute for CapTel service. The contract contains options to extend the contract for four additional one-year periods upon mutual consent by both parties.

In order to provide more detail of the requirements of TASA, Section 427, Florida Statutes, has been attached as Appendix H.

In addition, the FPSC's 2021 Annual Relay Report can be accessed at: http://www.floridapsc.com/Files/PDF/Publications/Reports/Telecommunication/TelecommunicationAccess/2021.pdf. This report will give you a brief history, financial information, and usage data.

C.2 Contact Persons

Section 64.604(c)(2) Contact persons. Beginning on June 30, 2000, State TRS Programs, interstate TRS providers, and TRS providers that have state contracts must submit to the Commission a contact person and/or office for TRS consumer information and complaints about a certified State TRS Program's provision of intrastate TRS, or, as appropriate, about the TRS provider's service. This submission must include, at a minimum, the following: (i) The name and address of the office that receives complaints, grievances, inquiries, and suggestions; (ii) Voice and text telephone (TTY) telephone numbers, fax number, e-mail address, and web address; and (iii) The physical address to which correspondence should be sent.

<u>Florida TRS Contact Information</u>

T-Mobile Accessibility Care
KSOPHD01-Z8200
6220 Sprint Parkway
Overland Park, KS 66251-8200
E-mail: access@t-mobile.com
Voice or TTY: 800-676-3777
Speech to Speech: 877-787-1989
Voice Carryover: 866-931-9027
Spanish: 800-676-4290

Florida Relay Customer Service
TTY: 866-462-6509
Spanish: 800-855-2886

TRS Complaints:
Florida Public Service Commission
Office of Consumer Assistance & Outreach
2540 Shumard Oak Boulevard
Tallahassee, Florida 32999-0850
Complaint Line (Voice): 800-342-3552
Voice: 850-413-6100
E-mail: contact@psc.state.fl.us

Florida Public Service Commission Staff Contact:
Curtis Williams
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32999-0850
Voice: 850-413-6924
E-mail: cjwillia@psc.state.fl.us

C.3 Public Access to Information

Section 64.604(c)(3) Public access to information. Carriers, through publication in their directories, periodic billing inserts, placement of TRS instructions in telephone directories, through directory assistance services, and incorporation of TTY numbers in telephone directories, shall assure that callers in their service areas are aware of the availability and use of all forms of TRS. Efforts to educate the public about TRS should extend to all segments of the public, including individuals who are hard of hearing, speech disabled, and senior citizens as well as members of the general population. In addition, each common carrier providing telephone voice transmission services shall conduct, not later than October 1, 2001, ongoing education and outreach programs that publicize the availability of 711 access to TRS in a manner reasonably designed to reach the largest number of consumers possible.

Section 427.705, Florida Statutes, (Appendix H) requires FTRI to perform advertising and outreach services as required by the FPSC. FTRI's outreach campaign includes the use of its website, newsletters, brochures, press releases, newspaper advertisements, and social media. Appendix H of this filing shows examples of outreach materials produced by FTRI. FTRI's website, www.ftri.org/relay, provides additional information on the various relay services, explains how each relay call is handled, offers consumers an online form to note their personal preferences, and more.

FTRI contracts with 20 Regional Distribution Centers (RDCs) throughout Florida that are responsible for distributing equipment, providing training on the equipment, and passing out consumer education information on the relay program.

The FPSC has a website that, in part, is dedicated to relay service. The website is used to communicate FCC and FPSC decisions and announcements, provide contact information, and provide general program information related to relay service. The FPSC relay website can be accessed at: http://www.floridapsc.com/Telecommunication/FloridaRelay.

In addition, the FPSC, through our Office of Consumer Assistance & Outreach, distributes relay information in conjunction with its general consumer information program. The brochures distributed by the FPSC vary in topic from when to call the FPSC, to what to do if you have problems with utility service or rates.

Florida has an advisory committee created by statute and appointed by the FPSC that is comprised of members that represent the hearing or speech impaired and the telecommunications industry. As participants of various organizations and communities, the advisory committee excels in keeping the public informed of what may be happening with relay. Members of the advisory committee represent the telecommunications industry, Center for Hearing and Communication, Florida Coordinating Council for the Deaf and Hard of Hearing, Florida Association of the Deaf, Inc., Florida Council on Aging, and the Florida Association of Centers for Independent Living. The FPSC convenes biannual advisory committee meetings to receive input. The meetings are open to the public and offer a public input session. A listing of the current advisory committee members can be accessed at: http://www.floridapsc.com/Telecommunication/TASAAdvisoryCommittee

Section 64.606 Internet-Based TRS Provider and TRS Program Certification

Section 64.606(a) Documentation-(1) Certified state program. Any state, through its office of the governor or other delegated executive office empowered to provide TRS, desiring to establish a state program under this section shall submit, not later than October 1, 1992, documentation to the Commission addressed to the Federal Communications Commission, Chief, Consumer & Governmental Affairs Bureau, TRS Certification Program, Washington, DC 20554, and captioned "TRS State Certification Application." All documentation shall be submitted in narrative form, shall clearly describe the state program for implementing intrastate TRS, and the procedures and remedies for enforcing any requirements imposed by the state program. The Commission shall give public notice of states filing for certification including notification in the Federal Register.

Florida TRS meets all operational, technical, and functional minimum standards required by the FCC.

Florida's TRS demonstrates the FPSC's commitment to meet all minimum TRS requirements based on the contract with Sprint and the standards established in the RFP. Florida offers several services that are not required by the FCC. Florida exceeds the FCC standards by offering TurboCode, Caller ID, and CapTel as services in its contract with Sprint. These are enhanced services for relay users that add functionality, but do not circumvent or conflict with any federal requirements. Florida's most recent RFP can be accessed at: http://www.floridapsc.com/library/filings/2021 /04014-2021/04014-2021.pdf

The Florida TRS is funded through a surcharge added to all subscribers of local exchange telecommunications companies. The relay surcharge is itemized on the customer's monthly bill and at least annually, is explained in detail. At any time, a customer may call the local exchange company to ask for an explanation of the surcharge. The most recent relay surcharge Order can be accessed at: http://www.floridapsc.com/library/filings/2022 /04955-2022/04955-2022.pdf

Attachment 6

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 16, 2022

TO: Braulio L. Baez, Executive Director

FROM: Office of Industry Development & Market Analysis (Crawford, Vogel, Frank, CH Eichler, Hardy, Sumner)

RE: Summary of the Inflation Reduction Act and Update on the Infrastructure Investment and Jobs Act.

CRITICAL INFORMATION: Please place on the November 29, 2022 Internal Affairs. **BRIEFING ONLY.**

At the January 20, 2022 Internal Affairs meeting, staff provided a summary of the Infrastructure Investment and Jobs Act, which authorized programs for water, energy, and broadband infrastructure that may impact Florida's utilities. On August 16, 2022, the Inflation Reduction Act was enacted that provides funding and tax incentives to advance the installation of renewable energy resources and electric vehicle technologies. This briefing item provides a summary of the Inflation Reduction Act, and an update on the implementation of the Infrastructure Investment and Jobs Act.

Inflation Reduction Act

On August 16, 2022, President Biden signed into law H.R. 5376, the Inflation Reduction Act (IRA), which contains $369 billion in climate and energy-related provisions. Portions of the IRA were designed to incent and accelerate the buildout of renewable energy, advance the adoption and development of electric vehicle (EV) technologies, and improve the energy efficiency of communities.

The portions of the IRA that focus on the energy sector utilize amendments and additions to the Internal Revenue Code (IRC), along with increasing funding to programs established by the Energy Policy Act of 2005 (EPACT) to reach its objectives. Among the changes: a 15 percent corporate alternative minimum tax, the expansion and extension of tax credits for renewable electricity production, and the expansion of funding opportunities found in EPACT.

Under prior law, IRC Section 45 (Electricity Produced from Certain Renewable Resources) did not allow production tax credits (PTCs) for projects that began after December 31, 2021. In addition, solar projects were ineligible for PTCs. The IRA extends the construction deadline for eligible renewable resources to December 31, 2024, and extends eligibility to solar projects as well.

When first added to IRC Section 48 (Energy Credit) through EPACT, 30 percent solar investment tax credits (ITCs) were allowed through 2007. The Tax Relief and Health Care Act of 2006 extended these credits through 2008, at which time there was another extension through 2016. In 2015, the ITCs were extended to December 31, 2021. The IRA once again extends the construction deadline to December 31, 2024.

Along with IRC Sections 45 and 48, new IRC Sections 45Y and 48E were added to extend the PTCs and ITCs past December 31, 2024. These sections are technology-neutral, meaning there are no restraints on types of renewable energy that qualify.

EPACT authorized Title XVII, the Innovative Energy Loan Guarantee Program, which grants the Secretary of Energy the ability guarantee loans for up to 80 percent of the cost of certain projects. Prior to EPACT, loan guarantees were not available and often projects that were economically competitive would not be pursued due to significant financial risks. EPACT allowed for loan guarantees that would incent the construction of more projects. The IRA adds funding to many of the previously available loan and grant programs, including $40 billion in funding for Section 1703 (Innovative Clean Energy). The IRA creates a new program under Title XVII (Section 1706), the Energy Infrastructure Reinvestment Program, to guarantee loans to projects that "retool, repower, repurpose, or replace energy infrastructure that has ceased operations."

A summary of key provisions of the IRA is included in Attachment A.

<u>Infrastructure Investment and Jobs Act</u>

On November 15, 2021, President Biden signed into law H.R. 3684, the Infrastructure Investment and Jobs Act, also known as the Bipartisan Infrastructure Law (BIL), which contains provisions authorizing programs for water, energy, and broadband infrastructure.

At the January 2022 Internal Affairs Meeting, staff provided a summary of several provisions of the BIL that could impact Florida's utilities. Additionally, the Florida Public Service Commission (Commission) was required by the BIL to consider whether it complied with Section 40104 (Utility Demand Response) and Section 40431 (Electric Vehicle Charging Programs), or whether it needed to take action. The Commission determined no further proceedings were required to consider the standards set forth in Section 40104 and Section 40431.

Since the January 2022 Internal Affairs Meeting, staff has monitored the BIL and identified updates regarding pertinent provisions. Attachment B provides a summary of funding opportunities related to the BIL

Attachments

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

Inflation Reduction Act of 2022

Title I – Committee on Finance

Subtitle A – Deficit Reduction

Sec. 10101 Corporate Alternative Minimum Tax

- This section amends IRC Section 55 to include a 15 percent corporate alternative minimum tax for corporations with profits over $1 billion.
- This section allows the use of net operating losses and provides exemptions for items such as general business credits and defined pension benefits.
- In a filing with the Commission related to the implementation of the IRA, FPL has stated the corporate alternative minimum tax will not have an impact at this time.[1] DEF has similarly stated that the company is still determining if the company will be subject to the new minimum tax for the year 2023.[2] At this time, it is unlikely the corporate alternative minimum tax will impact any other utility in Florida.

Subtitle D - Energy Security

Sec. 13101 Extension and Modification of Credit for Electricity Produced from Certain Renewable Resources

- This section expands federal income tax benefits associated with sources of renewable energy by extending the Production Tax Credit (PTC) under IRC Section 45 to electricity produced by solar facilities in service as of the effective date for this provision, January 1, 2025.
- The PTCs are calculated per kilowatt hour (kWh) of energy generated by eligible facilities. There are notable credit increases of 10 percent for "domestic content" (the use of products mined, produced, or manufactured domestically) and for facilities located in "energy communities," i.e. brownfield sites.
- In a filing with the Commission related to Section 13101 of the IRA, FPL has elected to apply the PTCs to six rate base solar facilities that were placed in service in 2022. FPL stated the PTCs produce a tax reform impact of $25 million in 2022.[3] DEF has similarly

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[1]Document No. 07675-2022, Docket No. 20220165-EI, *Re: Petition by Florida Power & Light Company for Limited Proceeding To Approve Refund and Rate Reduction Resulting from Implementation of Inflation Reduction Act.*
[2]Document No. 09500-2022, Docket No. 20220172-EI, *Re: Duke Energy Florida, LLC's Petition for Limited Proceeding to Approve Rate Reductions Associated With The Inflation Act of 2022*.
[3]Document No. 07675-2022, Docket No. 20220165-EI, *Re: Petition by Florida Power & Light Company for Limited Proceeding To Approve Refund and Rate Reduction Resulting from Implementation of Inflation Reduction Act.*

filed to apply PTCs to eligible solar facilities. DEF stated the PTCs produce a total revenue requirement reduction of a $56 million for 2023.[4]

Sec. 13102 Extension and Modification of Energy Credit

- This section extends the Investment Tax Credit (ITC) in IRC Section 48 to include energy property for which construction begins before January 1, 2025. Under prior law, the ITC was phased out for certain projects after December 31, 2019. While ITCs are normally claimed in the year that a facility is placed in service, the IRA allows companies to retroactively claim ITCs for projects that began construction after December 31, 2019, and were placed into service before January 1, 2022.
- This section modifies the energy credit for energy property to six percent base, with potential credits of 30 percent for certain projects if all requirements are met.
- IRC Section 48 defines an energy property in many ways, including: equipment which uses solar energy to generate electricity to heat or cool a structure, a combined heat and power system, or a qualified small wind energy property. This section expands the definition of energy property to include energy storage technology, qualified biogas property, or microgrid controllers.
- The inclusion of qualified energy storage facilities may impact future investment in battery storage and hydrogen storage technologies by Florida utilities.

Sec. 13103 Increase in Energy Credit for Solar and Wind Facilities Placed in Service in Connection with Low-Income Communities

- This section amends IRC Section 48 by increasing the energy credit for qualified solar and wind facilities to include an additional 10 to 20 percent.
- The term "qualified solar and wind facility" is defined as a facility that 1) has a maximum net output of less than 5 MW, and 2) is located in a low-income community, on Indian land, or is part of a qualified low-income residential building project or low-income economic benefit project.
- Florida's investor-owned utilities are not currently investing heavily into smaller solar projects (maximum of 5 MW to qualify) or wind energy, but the added incentive to build these smaller, community facilities may spur more investment.

Sec. 13105 Zero-Emission Nuclear Power Production Credit

- This section creates IRC Section 45U, which is a PTC for the amount of electricity produced at a qualified nuclear power facility.

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[4]Document No. 09500-2022, Docket No. 20220172-EI, *Re: Duke Energy Florida, LLC's Petition for Limited Proceeding to Approve Rate Reductions Associated With The Inflation Act of 2022.*

- The amount of credit is determined by the kWh of electricity produced multiplied by \$0.003. There is a potential to increase the credit amount to \$0.015 per kWh, if certain requirements are met.
- To qualify for this credit, the nuclear energy facility must be in service before the IRA is enacted. This credit applies to electricity produced and sold after December 31, 2023.

Sec. 13201 Extension of Incentives for Biodiesel, Renewable Diesel and Alternative Fuels

- This section extends to December 31, 2024, the credit for biodiesel and renewable diesel used as fuels in IRC Sections 40A and 6426. Under prior law, these credits were set to expire December 31, 2022.

Sec. 13204 Clean Hydrogen

- This section creates IRC Section 45V, which is a PTC for the amount of clean hydrogen produced at a qualified facility for a 10-year period from its in-service date.
- The credit is determined by the amount of kilograms of hydrogen produced, multiplied by the amount of kilograms of CO2e per kilogram of hydrogen produced. In other words, the cleaner the production of hydrogen, the more credit will be earned.
- Clean hydrogen qualified facilities are those where hydrogen is produced through a process that results in low lifecycle greenhouse gas emission rates. To qualify for the credit, the construction of a qualified clean hydrogen facility must begin before January 1, 2033.

Sec. 13301 - 13304 Clean Energy and Efficiency Incentives for Individuals

- These sections cover miscellaneous extensions, increases, and modifications to energy efficiency measures for individuals. These sections include extending and expanding the Energy Efficient Home Improvement Credit (IRC Section 25C), extending and expanding the Residential Clean Energy Credit (IRC Section 25D), modifying the Energy Efficient Commercial Buildings Deduction (IRC Section 179D), and extending and expanding the New Energy Efficient Home Credit (IRC Section 45L).
- The residential credits were extended to December 31, 2032, and included increased tax credits for energy efficient and clean energy improvements.
- Although these sections are primarily for residential or individual energy efficiency credits, the added or increased credits may affect future utility demand side management filings.

Sec. 13401 - 13404 Clean Vehicles

- These sections cover changes to the Clean Vehicle Credit (IRC Section 30D), a new Credit for Previously Owned Clean Vehicles (IRC Section 25E), a new Credit for Qualified

Commercial Clean Vehicles (IRC Section 45W), and an extension and amendment to the Alternative Fuel Refueling Property Credit (IRC Section 30C).

- The amendments to the Alternative Fuel Refueling Property Credit include an increased limit on the credit and an extension to December 31, 2032. There is a geographic requirement that eligible charging locations be either in a "low-income community" or "not an urban area" as deemed by the Secretary of Commerce. The extension of this credit is intended to incent the construction and expansion of EV charging infrastructure.
- IRC Section 30C may impact future installation of EV infrastructure by Florida utilities.

Sec. 13701 Clean Electricity Production Credit

- This section creates IRC Section 45Y, which offers a technology-neutral PTC for any clean electricity production for a 10-year period. This section applies only to clean facilities that have in-service dates after December 31, 2024. Section 13101 of the IRA extended the existing IRC Section 45 PTC to December 31, 2024. The implementation of IRC Section 45Y will coincide with the expiration of that PTC.
- The base credit will be $0.003 per kWh, with a higher rate of $0.015 per kWh if certain requirements are met.
- IRC Section 45Y also includes additional credit bonuses for domestic products and energy communities.

Sec. 13702 Clean Electricity Investment Credit

- This section creates IRC Section 48E, which offers a technology-neutral ITC for any clean electricity generation facilities. In addition to clean energy generation facilities, battery storage facilities may also qualify under this section. This section applies only to clean facilities that have in-service dates after December 31, 2024. Section 13102 of the IRA extended the existing IRC Section 48 ITC to December 31, 2024. The implementation of IRC Section 48E will coincide with the expiration of that ITC.
- The base credit will be six percent, with a higher credit of 30 percent if certain requirements are met.
- The additional credit bonuses for domestic products and energy communities are included in IRC Section 48E. Also, another 10 to 20 percent bonus credit may be available for certain wind and solar facilities located in low-income communities.

Sec. 13704 Clean Fuel Production Credit

- This section creates IRC Section 45Z, which offers a new low-emissions transmission fuel credit. This section applies only to clean fuels produced after December 31, 2024. Section 13201 of the IRA extended the existing IRC Section 40A credit for biodiesel and renewable diesel through December 31, 2024. The implementation of IRC Section 45Z will coincide with the expiration of that credit.

- It should be noted that this tax credit does not apply to any clean hydrogen covered in IRC Section 45V, as discussed above.

Title II – Committee on Agriculture, Nutrition and Forestry

Subtitle C – Rural Development and Agricultural Credit

Sec. 22001-22004 Additional Funding for Electric Loans for Renewable Energy and other Rural Programs

- This section allows the U.S. Secretary of Agriculture to provide additional funding of $1 billion to cover the costs of loans under Section 317 of the Rural Electrification Act of 1936.
- In addition to generation projects previously funded, the IRA includes storage projects previously not funded.
- These sections also include additional funding for the Rural Energy for America Program, Biofuel Infrastructure, and USDA Assistance for Rural Electric Cooperatives.
- The Florida Electric Cooperative Association has stated that their association members are applying for funding opportunities as they each see fit for their utilities.

Title IV – Committee on Energy and Natural Resources

Subtitle A – Energy

Part 4 – DOE Loan and Grant Programs

Sec. 50141 – 50145 Loans and Grants

- Part 4 contains sections that allow the U.S. Secretary of Energy to provide guaranteed loans for eligible projects under Section 1703 of EPACT.
- These sections resupply the loan funds with a total principal amount of $40 billion, to remain available through September 30, 2026.
- Additionally, there is a new Energy Infrastructure Reinvestment Financing loan program. Section 1706 allows for loan funding of projects that "retool, repower, repurpose, or replace energy infrastructure that has ceased operations." There is also a clause allowing loan funding for projects that "enable operating energy infrastructure to avoid, reduce, utilize, or sequester air pollutants."

Part 5 – Electric Transmission

Sec. 50151 – 50153 Electric Transmission Loans and Grants

- Part 5 contains sections that provide the U.S. Secretary of Energy the ability to "carry out" a program to pay the costs of direct loans to non-federal borrowers. These direct loans can be used for the construction or modification of electric transmission facilities that are in the national interest.
- Part 5 also provides for grants to facilitate the siting of interstate electric transmission lines and interregional and offshore wind electricity transmission planning, modeling and analysis

Bipartisan Infrastructure Law (BIL) Funding Opportunities Update

Sec. 40101 Preventing Outages and Enhancing the Resilience of the Electric Grid

In accordance with Sec. 40101 of the BIL, The United States Department of Energy (DOE) has created two programs: "Formula Grants to States and Tribes" and "Grid Resilience Utility and Industry Grants."

Formula Grants to States and Tribes

Program Highlights	
Federal Agency Responsible	The United States Department of Energy
New Program (Yes/No)	Yes
Funding Available	$2,300,000,000 ($459,000,000 per year over Fiscal Years 2022-2026)
Federal Cost Share Requirement	States, Territories and Tribes – 15 percent cost share; Eligible entities – 100 percent match; Small utilities 1/3 cost share
Funding Mechanism(s)	Grant
Funding Application Opening Date	July 6, 2022
Deadline for Application	March 31, 2023
Description of Program	To make grants to eligible entities, states, and tribes to prevent outages and enhance the resilience of the electric grid
Eligible Uses of Funding	To carry out activities that are supplemental to existing hardening efforts and reduce the risk of power lines causing a wildfire; or reduce the likelihood and consequences of disruptive events
Eligible Applicants	States, U.S. Territories, and Tribes
Eligible Entities for Subawards	Electric Grid Operators, Electricity Storage Operators, Electricity Generators, Transmission Owners and Operators, Distribution Providers, Fuel Suppliers, States, Tribes

On July 6, 2022, DOE opened the application period for states, tribes, and territories to apply for the $2,300,000,000 Formula Grants to States and Tribes program designed to strengthen and modernize America's power grid against wildfires, extreme weather, and other natural disasters.

This program will provide $459 million annually to states and tribes over an anticipated five-year period to improve the resilience of the electric grid against disruptive events. Grid resilience activities could include:

- Utility pole upkeep and removal of trees and other vegetation affecting grid performance
- Undergrounding electrical equipment
- Relocating or replacing power lines
- Improvements to make the grid resistant to extreme weather
- Increasing fire-resistant components
- Implementing monitoring, controls, and advanced modeling for real-time situational awareness
- Integrating distributed energy resources like microgrids and energy storage

Applicants will be asked to describe the concrete outcomes they intend to seek and commit to specific progress metrics, such as reducing or shortening outages from severe events or by reducing risks to health and safety from such outages. The funding program will make awards to states, territories, or tribes representing diverse sets of populations, including underserved and disadvantaged communities.

Under this program, priority will be given to projects that will generate the greatest community benefit, whether rural or urban, in reducing the likelihood and consequences of blackouts and power shutdowns because of extreme weather or other disruptive events, such as cyberattacks.

Under Section 40101 of the BIL, DOE will provide grants to states and tribes to improve the resilience of their electric grids. States and tribes may further allocate funds to eligible recipients.

Grid Resilience Utility and Industry Grants

Program Highlights	
Federal Agency Responsible	The United States Department of Energy
New Program (Yes/No)	Yes
Funding Available	$2,500,000,000 ($500,000,000 per year over Fiscal Years 2022-2026)
Federal Cost Share Requirement	100 percent cost match. Small utilities (sells equal to or less than 4,000,000 megawatt hours of electricity per year) must match 1/3 of grant amounts received.
Funding Mechanism(s)	Grants and Financial Assistance
Funding Application Opening Date	July 6, 2022
Deadline for Application	March 31, 2023
Description of Program	To make grants to eligible entities, states, and tribes to prevent outages and enhance the resilience of the electric grid
Eligible Uses of Funding	To carry out activities that are supplemental to existing hardening efforts and reduce the risk of power lines causing a wildfire; or reduce the likelihood and consequences of disruptive events
Eligible Recipients	Electric Grid Operators, Electricity Storage Operators, Electricity Generators, Transmission Owners and Operators, Distribution Providers, Fuel Suppliers, States, Tribes

The Grid Resilience Utility and Industry Grants support the modernization of the electric grid to reduce impacts due to extreme weather and natural disasters. This program will fund transmission and distribution technology solutions that will mitigate hazards across a region or within a community, including wildfires, floods, hurricanes, extreme heat, extreme cold, storms, and any other event that can cause a disruption to the power system. The program will prioritize projects generating the greatest community benefit in reducing the likelihood and consequences of disruptive events.

The program will provide up to $2.5 billion over five years ($500 million/year FY 22-26). The first funding cycle will include Fiscal Year 2022 and Fiscal Year 2023, up to $1 billion. Funding is capped at the amount the eligible entity has spent in the previous three years on hardening efforts. An eligible entity that receives a grant under this section shall be required to match 100 percent of the amount of the grant. An eligible entity that sells not more than 4,000,000 megawatt hours of electricity per year shall be required to match a third of the grant.

On November 18, 2022, DOE released a Funding Opportunity Announcement (FOA) for the Grid Resilience Utility and Industry Grants. Concept papers are due December 16, 2022. DOE will provide a response to the concept papers by January 27, 2023. Full Applications are due April 6, 2023.

Applicants must address at least three of the following requirements for this event:

- Utility pole management
- Hardening of power lines, facilities, substations, of other systems
- Undergrounding of electrical equipment
- Replacement of old overhead conductors and underground cables
- Relocating or replacing power lines with low-sag and advanced conductors
- Vegetation and fuel-load management
- Weatherization technologies and equipment
- Fire-resistant technologies and fire prevention systems
- Monitoring and control technologies
- Use or construction of distributed energy resources for enhancing system adaptive capacity during disruptive events, including microgrids, and battery-storage subcomponents
- Adaptive protection technologies advanced modeling technologies

Resilience measures that are not allowed under this grant include:

- Construction of a new electric generating facility
- Large scale battery-storage facility that is not used for enhancing system adaptive capacity during disruptive events
- Cybersecurity

Sec. 40103 Electric Grid Reliability and Resilience Research, Development, and Demonstration

Under this section, DOE has created two programs, "Program Upgrading Our Electric Grid and Ensuring Reliability and Resiliency" (Grid Innovation Program) and "Energy Improvement in Rural or Remote Areas."

Grid Innovation Program

Program Highlights	
Federal Agency Responsible	The United States Department of Energy
New Program (Yes/No)	Yes
Funding Available	\$5,000,000,000 (\$1,000,000,000 per year over Fiscal Years 2022-2026) to remain available until expendable
Federal Cost Share Requirement	At least a 20 percent cost-share for a funded "research or development activity," unless the activity is of a basic or fundamental nature. A 50 percent cost-share of total costs for a funded "demonstration or commercial application activity."
Funding Mechanism(s)	Grant, Cooperative Agreement, or Other
Anticipated Funding Application Opening Date	Fourth Quarter of 2022
Description of Program	To provide Federal financial assistance to demonstrate innovative approaches to transmission, storage, and distribution infrastructure to harden and enhance resilience and reliability; and to demonstrate new approaches to enhance regional grid resilience
Eligible Uses of Funding	To carry out activities that are supplemental to existing hardening efforts and reduce the risk of power lines causing a wildfire; or reduce the likelihood and consequences of disruptive events
Eligible Recipients	State, combination of 2 or more States; Tribes; units of local government, and/or public utility commissions

The Grid Innovation Program is designed to provide federal financial assistance to one or multiple states, Tribes, local governments, and public utility commissions to collaborate with electric sector owners and operators to deploy projects that use innovative approaches to transmission, storage, and distribution infrastructure to harden and enhance resilience and reliability; and to demonstrate new approaches to enhance regional grid resilience. Broad project applications are of interest, such as interregional transmission projects, investments that accelerate interconnection of clean energy generation, and utilization of distribution grid assets to provide backup power and reduce transmission requirements.

On August 30, 2022, DOE issued a Request For Information (RFI) seeking proposals on the implementation of the program. Later this year, the DOE expects to release the final Funding Opportunity Announcement for the 2022 and 2023 fiscal years that will solicit concept papers and applications.

Energy Improvement in Rural or Remote Areas (ERA Program)

Program Highlights	
Federal Agency Responsible	The United States Department of Energy
New Program (Yes/No)	Yes
Funding Available	$1,000,000,000 ($200,000,000 per year over Fiscal Years 2022-2026) to remain available until expended
Federal Cost Share Requirement	To Be Determined (TBD)
Funding Mechanism(s)	Grant, Cooperative Agreement, or Other
Anticipated Funding Application Opening Date	Fourth Quarter of 2022
Description of Program	In consultation with the Department of the Interior, to provide financial assistance to improve, in rural or remote areas of the United States, the resilience, safety, reliability, and availability of energy, as well as environmental protection from adverse impacts of energy generation.
Eligible Uses of Funding	• Overall cost-effectiveness of energy generation, transmission, or distribution systems • Siting or upgrading transmission and distribution lines • Reducing greenhouse gas emissions from energy generation in rural or remote areas • Providing or modernizing electric generation facilities • Developing microgrids • Increasing energy efficiency
Eligible Recipients	Industry Partners, Utilities, National Laboratories, Universities, State and Local Governments, Community-based Organizations, Tribes, Environmental Groups and cities, towns, or unincorporated areas with populations of fewer than 10,000 inhabitants

On October 11, 2022, DOE issued an RFI seeking public input to help inform DOE's ERA Program implementation strategies and funding processes to support energy improvements in rural or remote areas. Section 40103(c) of the BIL authorizes DOE to carry out activities to fund energy improvement in rural or remote areas of the United States. The BIL appropriates $1 billion to DOE for the five-year period encompassing fiscal years 2022 through 2026, to improve resilience, safety, reliability, and availability of energy in rural or remote areas of the United States. The term "rural or remote area" is defined as a city, town, or unincorporated area that has a population of not more than 10,000 inhabitants.

To help inform DOE's implementation of the ERA Program, the RFI seeks input on:

- Outcomes the program should seek, and the types of innovative energy projects that achieve those outcomes and meet the authorization language
- Considerations that could impact programmatic design or strategy
- Community benefits, including energy and environmental justice, diversity, equity inclusion, and accessibility considerations; and quality jobs, and ways to broadly share knowledge gained and impacts.

RFI responses on the implementation of the ERA Program are due to DOE on November 28, 2022.

Sec. 40106 Transmission Facilitation Program

Program Highlights	
Federal Agency Responsible	The United States Department of Energy
New Program (Yes/No)	Yes
Funding Available	$2,500,000,000 (Available Until Expended)
Federal Cost Share Requirement	N/A
Funding Mechanism(s)	Loan, Direct Financing, or Capacity Purchase
Anticipated Funding Application Opening Date	TBD
Description of Program	To facilitate the construction of electric power transmission lines and related facilities to enable greater clean energy growth and provide low-cost clean energy to more Americans
Eligible Uses of Funding	To facilitate eligible projects, the Secretary of Energy may: • Enter into a capacity contract with respect to an eligible project with the objective of reselling that capacity once the financial viability of the project has been established • Issue a loan to an eligible entity for the costs of carrying out an eligible project • Participate with an eligible entity in designing, developing, constructing, operating, maintaining, or owning an eligible project
Eligible Recipients	Transmission Developers

On May 12, 2022, DOE issued a combined Notice of Inquiry (NOI) and RFI. The NOI was issued to notify interested parties of its intent to implement the Transmission Facilitation Program (TFP) and to describe the proposed approach for participation by eligible entities. The DOE sought input from all stakeholders through the RFI regarding the application process, criteria for qualification, and selection of eligible projects.

DOE is anticipating issuing additional NOI and RFIs in the first quarter of 2023.

Sec. 40107 Smart Grid Investment Matching Grant Program

Program Highlights	
Federal Agency Responsible	The United States Department of Energy
New Program (Yes/No)	Yes
Funding Available	$3,000,000,000 ($600,000,000 per year for fiscal years 2022 through 2026) to remain available until expended
Federal Cost Share Requirement	Recipients must provide a cost-share of at least 50% of the grant.
Funding Mechanism(s)	Grant
Funding Application Opening Date	November 18, 2022
Description of Program	Funding and expansion of eligible activities under the Smart Grid Investment Matching Grant Program established under section 1306 of the Energy Independence and Security Act of 2007
Eligible Uses of Funding	• Metering, Control, and other devices, sensors, and software; communications and broadband technologies to support smart grid deployment • Technologies and programs to integrate electric vehicles to the grid • Devices and software for building support demand flexibility and other smart grid functions • Operational fiber and wireless broadband communications networks enabling data sharing between distribution system components • Advanced transmission technologies, including dynamic line rating, flow control devices, advanced conductors, and network topology optimization, to increase the operational transfer capacity transmission networks.
Eligible Recipients	Utilities; Institutions of higher education; For-profit entities; Non-profit entities; and State and local governmental entities, and Tribes.

The Smart Grid Investment Matching Grant Program was previously funded by the Recovery Act of 2009. The BIL expands on the existing program, including additional eligible investment areas.

The Smart Grid Investment Matching Grant Program will increase the flexibility, efficiency, and reliability of the electric power system. The focus is on increasing capacity of the transmission system, preventing faults that may lead to wildfires or other system disturbances, integrating renewable energy at the transmission and distribution levels, and facilitating the integration of an increased number of electrified vehicles, buildings, and other grid-edge devices.

The Smart Grid Investment Matching Grant Program will invest up to $3 billion ($600 million/year for Fiscal Years 2022-2026) in grid resilience technologies and solutions. The first funding cycle will include both Fiscal Year 2022 and Fiscal Year 2023, up to $1.2 billion. Recipients must provide a cost-share of at least 50 percent of the grant.

On August 30, 2022, DOE issued an RFI seeking public input to help inform DOE's implementation of the Smart Grid Investment Matching Grant Program.

On November 18, 2022, DOE issued a FOA. According to the FOA, concept papers for the Smart Grid Investment Matching Grant Program are due on December 16, 2022. Completed applications are due to DOE on March 17, 2023. DOE expects to notify the grant recipients in Summer of 2023.

Sec. 40124 Rural and Municipal Utility Advances Cybersecurity Grant and Technical Assistance Program

Program Highlights	
Federal Agency Responsible	The United States Department of Energy
New Program (Yes/No)	Yes
Funding Available	$250,000,000 (Available Until Expended)
Funding Mechanism(s)	Grant, Cooperative Agreement, or Contract
Federal Cost Share Requirement	TBD
Anticipated Funding Application Opening Date	Fourth Quarter of 2022
Description of Program	To provide grants and technical assistance to, and enter into cooperative agreements with, eligible entities to protect against, detect, respond to, and recover from cybersecurity threats.
Eligible Uses of Funding	To deploy advanced cybersecurity technologies for electric utility systems; and to increase the participation of eligible entities in cybersecurity threat information sharing programs.
Eligible Recipients	Rural Electric Cooperatives, Municipally-Owned Electric Utilities, Other State-Owned Utilities, Small Investor-Owned Utilities (Any utility that sells less than 4,000,000 megawatt hours of electricity per year)

The Rural and Municipal Utility Advances Cybersecurity Grant And Technical Assistance Program is designed to provide grants and technical assistance to, and enter into cooperative agreements with, eligible entities to protect against, detect, respond to, and recover from cybersecurity threats.

Sec. 40302 Carbon Utilization Program

Program Highlights	
Federal Agency Responsible	The United States Department of Energy
New Program (Yes/No)	Yes
Funding Available	$310,140,781 (Available Until Expended)
Federal Cost Share Requirement	TBD
Funding Mechanism(s)	Grant
Anticipated Funding Application Opening Date	Fourth Quarter of 2022
Description of Program	To establish a grant program for State and local governments to procure and use products derived from captured carbon oxides
Eligible Uses of Funding	An eligible entity shall use a grant received under this paragraph to procure and use commercial or industrial products that: • Use or are derived from anthropogenic carbon oxides • Demonstrate significant net reductions in lifecycle greenhouse gas emissions compared to incumbent technologies, processes, and products
Eligible Recipients	State and local governments, Public Utilities

The Carbon Utilization Program is designed to establish a grant program for state and local governments to procure and use products derived from captured carbon oxides.

On January 18, 2022, DOE issued an RFI soliciting feedback from industry members, investors, developers, academia, research laboratories, government agencies, potentially impacted communities and related stakeholders. The RFI requested feedback regarding deployment projects and their associated locations, including potentially ideal locations for these projects in the United States. The RFI also took into consideration environmental justice, energy transition, tribes, and other impacted communities.

Sec. 40314 Additional Clean Hydrogen Programs

In accordance with Sec. 40103 of the BIL, DOE has created three programs: "Regional Clean Hydrogen Hubs," "Clean Hydrogen Electrolysis Program," and "Clean Hydrogen Manufacturing Recycling Research, Development, and Demonstration Program."

Regional Clean Hydrogen Hubs

Program Highlights	
Federal Agency Responsible	The United States Department of Energy
New Program (Yes/No)	Yes
Funding Available	$8,000,000,000 (Available Until Expended)
Federal Cost Share Requirement	TBD
Funding Mechanism(s)	Grants, Contracts, Cooperative Agreements, or any other agreements authorized under this Act or other Federal law
Funding Application Opening Date	September 22, 2022
Deadline for Application	April 7, 2023
Description of Program	To support the development of at least four regional clean hydrogen hubs to improve clean hydrogen production, processing, delivery, storage, and end use
Eligible Uses of Funding	Projects that demonstrate the production, processing, delivery, storage, and end-use of clean hydrogen through regional clean hydrogen hubs, which are networks of clean hydrogen producers, potential clean hydrogen consumers, and connective infrastructure located in close proximity
Eligible Recipients	Technology Developers, Industry, Utilities, Universities, National Laboratories, Engineering and Construction firms, State and Local Governments, Tribes, Environmental Groups, and Community Based Organizations

The Regional Clean Hydrogen Hubs program (H2Hubs) includes up to $7 billion to establish six to ten regional clean hydrogen hubs across America. As part of a larger $8 billion hydrogen hub program funded through the BIL, H2Hubs is intended to help communities across the country benefit from clean energy investments, jobs, and improved energy security.

H2Hubs will create networks of hydrogen producers, consumers, and local connective infrastructure to accelerate the use of hydrogen as a clean energy carrier that can deliver or store energy.

As part of the DOE's commitment to accelerating the national deployment of clean hydrogen fuel, DOE released a draft of the National Clean Hydrogen Strategy and Roadmap (Roadmap) for public feedback. The Roadmap provides a comprehensive overview of the potential for the production, transport, storage, and use of hydrogen in the United States. A final version of the Roadmap will be released in the coming months and updated at least every three years.

Concept papers are due to DOE by November 7, 2022. Additional funding opportunities may follow to accelerate and expand the network of clean hydrogen projects.

Clean Hydrogen Electrolysis Program

Program Highlights	
Federal Agency Responsible	The United States Department of Energy
New Program (Yes/No)	Yes
Funding Available	$1,000,000,000 (Available Until Expended)
Federal Cost Share Requirement	TBD
Funding Mechanism(s)	Cooperative Agreement
Anticipated Funding Application Opening Date	Fourth Quarter of 2022
Description of Program	To establish a research, development, demonstration, and deployment program for purposes of commercialization to improve the efficiency, increase the durability, and reduce the cost of producing clean hydrogen using electrolyzers
Eligible Uses of Funding	To demonstrate technologies that produce clean hydrogen using electrolyzers; and to validate information on the cost, efficiency, durability, and feasibility of commercial deployment
Eligible Recipients	Industry Partners

The Clean Hydrogen Electrolysis Program expands on DOE's existing program on electrolysis. It is intended to be a research, development, demonstration, commercialization, and deployment program aimed at improving efficiency, increasing durability, and reducing capital costs of electrolyzers. The BIL authorizes appropriations of $1 billion for the program.

On February 15, 2022, DOE issued an RFI seeking feedback from industry, academia, research laboratories, government agencies, community groups, labor unions, energy users, environmental justice organizations, economic development organizations, and other stakeholders regarding the clean hydrogen electrolysis research.

DOE is anticipating to open applications for funding in the fourth quarter of 2022.

Clean Hydrogen Manufacturing Recycling Research, Development, and Demonstration Program

Program Highlights	
Federal Agency Responsible	The United States Department of Energy
New Program (Yes/No)	Yes
Funding Available	$500,000,000 (Available Until Expended)
Federal Cost Share Requirement	TBD
Funding Mechanism(s)	Grants, contracts, cooperative agreements, and any other agreements authorized under this Act or other Federal law
Anticipated Funding Application Opening Date	TBD
Description of Program	To enter into agreements to carry out three energy storage system demonstration projects.
Eligible Uses of Funding	• Increasing the efficiency and cost-effectiveness of the recovery of raw materials from clean hydrogen technology components and systems • Minimizing environmental impacts from the recovery and disposal processes • Addressing any barriers to the research, development, demonstration, and commercialization of technologies and processes for disassembly and recycling • Developing alternative materials, designs, manufacturing processes, and other aspects of clean hydrogen technologies • Developing alternative disassembly and resource recovery processes that enable efficient, cost-effective, and environmentally responsible disassembly of, and resource recovery from, clean hydrogen technologies • Developing strategies to increase consumer acceptance of, and participation in, the recycling of fuel cells
Eligible Recipients	Industry Partners

On February 15, 2022, DOE issued an RFI seeking feedback from industry, academia, research laboratories, government agencies, community groups, labor unions, energy users, environmental justice organizations, economic development organizations, and other stakeholders regarding the clean hydrogen manufacturing and recycling research, development, and demonstration.

DOE anticipated the funding application date to be in the second quarter of 2022; however, the application period has not been opened to date. There has not been any updates regarding new application dates for this program.

Sec. 40541 Grants for Energy Efficiency and Renewable Energy Improvements at Public School Facilities

Program Highlights	
Federal Agency Responsible	The United States Department of Energy
New Program (Yes/No)	Yes
Funding Available	$500,000,000 (Available Until Expended)
Federal Cost Share Requirement	TBD
Funding Mechanism(s)	Grant
Anticipated Funding Application Opening Date	Fourth Quarter of 2022
Description of Program	To provide competitive grants to make energy efficiency, renewable energy, and alternative fueled vehicle upgrades and improvements at public schools
Eligible Uses of Funding	Energy efficiency (envelope, HVAC, lighting, controls, hot water, etc.), ventilation, renewable energy, alternative fuel vehicles, and alternative fuel vehicle infrastructure improvements
Eligible Recipients	Consortium of one local education agency and one or more schools, non-profits, for-profits, and community partners

The Grants for Energy Efficiency and Renewable Energy Improvements at Public School Facilities Program is designed to provide competitive grants to make energy efficiency, renewable energy, and alternative fueled vehicle upgrades and improvements at public schools.

On April 4, 2022, DOE issued an RFI to solicit feedback from Local Education Authorities, school staff, states, local governments, energy service companies, clean energy finance providers, labor unions, service providers, utilities, researchers, community partners, manufacturers, and other stakeholders on issues related to program development and execution. The RFI specifically sought feedback on the following:

- Capacity development and technical assistance needs of applicants and their stakeholders and partners
- How to define, support, and leverage the need assessments required of applicants
- Appropriate criteria and metrics
- Workforce development and supporting high-quality jobs

- Potential partnerships structures and models to achieve the goals of the provision and maximize impact
- Pathways and models to leverage the financial investments to reach more facilities and achieve deeper impact

Sec. 41001 Energy Storage Demonstration Projects

Program Highlights	
Federal Agency Responsible	The United States Department of Energy
New Program (Yes/No)	Yes
Funding Available	$355,000,000 (Available Until Expended)
Federal Cost Share Requirement	TBD
Funding Mechanism(s)	Grant, Cooperative Agreement, or Other
Anticipated Funding Application Opening Date	Third Quarter of 2023
Description of Program	To enter into agreements to carry out three energy storage system demonstration projects
Eligible Uses of Funding	• To improve the security of critical infrastructure and emergency response systems • To improve the reliability of transmission and distribution systems, particularly in rural areas, including high-energy cost rural areas • To optimize transmission or distribution system operation and power quality to defer or avoid costs of replacing or upgrading electric grid infrastructure, including transformers and substations • To supply energy at peak periods of demand on the electric grid or during periods of significant variation of electric grid supply • To reduce peak loads of homes and businesses • To provide ancillary services for grid stability and management • To integrate renewable energy resource production • To increase the feasibility of microgrids (grid-connected or islanded mode) • To enable the use of stored energy in forms other than electricity to support the natural gas system and other industrial processes • To integrate fast charging of electric vehicles • To improve energy efficiency
Eligible Recipients	Technology Developers, Industry, State and Local Governments, Tribes, Community Based Organizations, National Laboratories, Universities, and Utilities

As of October 24, 2022, there have not been any updates released regarding the program.

Florida BIL Implementation Update

Sec. 40104 Utility Demand Response

At the January 2022 Internal Affairs Meeting, the Florida Public Service Commission (Commission) was required by the BIL to consider whether it complied with Sec. 40104 or needed to take action. The Commission determined it was in compliance with the section through the enactment of the Florida Energy Efficiency and Conservation Act, which requires utilities to develop cost-effective demand-side management plans that meet those goals and submit them to the Commission for approval. The Commission also determined no further proceeding was required to consider the Utility Demand Response standard set forth in Section 40104 of the BIL. There have not been any updates to Sec. 40104.

Sec. 40108 State Energy Security Plans

In 2010, in response to the American Recovery and Reinvestment Act, the Florida Office of Energy (FOE) in conjunction with the Florida Department of Emergency Management (FDEM) created a state energy security plan known as the Energy Assurance Plan (EAP). FDEM was the state agency responsible for overseeing the EAP.

The BIL requires states to create or revise a State Energy Security Plan that addresses all energy sources and potential hazards, and provides a risk assessment and risk mitigation approach. The BIL requires a State Energy Security Plan to meet the following seven requirements:

- Address all energy sources and regulated and unregulated energy providers.
- Provide a State energy profile, including an assessment of energy production, transmission, distribution, and end-use.
- Address potential hazards to each energy sector or system, including:
  - Physical threats and vulnerabilities
  - Cybersecurity threats and vulnerabilities
- Provide a risk assessment of energy infrastructure and cross-sector interdependencies.
- Provide a risk mitigation approach to enhance reliability and end-use resilience.
- Address the following:
  - Multi-State and regional coordination, planning, and response
  - Coordination with Indian Tribes with respect to planning and response
- To the extent practicable, encourage mutual assistance in cyber and physical response plans.

In response to the BIL, FOE and FDEM renamed the EAP as the State Energy Security Plan. The State Energy Security Plan currently meets four out of the seven required plan elements under Sec. 40108. The three missing plan elements include an assessment of energy production, transmission, distribution, and end-use; a risk assessment of energy infrastructure and cross-sector interdependencies; and coordination with tribes with respect to planning and response.

Upon completion of the 2022 Hurricane season, FOE and FDEM plan to begin initial work with Commission staff on contributing to the revision of the State Energy Security Plan. According to FOE, staff's contribution will focus on suggested additions, revisions, or input regarding electric distribution or transmission as needed. FDEM will be responsible for overseeing the State Energy Security Plan.

Sec. 40431 Consideration of Measures to Promote Greater Electrification of the Transportation Sector

At the January 2022 Internal Affairs Meeting, the Commission was required by the BIL to consider whether it complied with Sec. 40431 or needed to take action. Given the Commission's prior approval of Investor-Owned Utilities' pilot programs, which include rates for non-utility and utility-owned charging stations, as well as the development of the Electric Vehicle Infrastructure Master Plan at the direction of the Legislature, the Commission determined it was in compliance with the Electric Vehicle Charging Programs standard set forth in Section 40431 of the BIL. There have not been any updates to Sec. 40431.

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 ANDREW GILES FAY
COMMISSIONER ART GRAHAM
COMMISSIONER GARY F. CLARK
COMMISSIONER MIKE LA ROSA
COMMISSIONER GABRIELLA PASSIDOMO

DATE: Tuesday, November 29, 2022

TIME: Commenced: 9:30 a.m.
Concluded: ~~10~~ 11:02 a.m.

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: DEBRA R. KRICK
Court Reporter and
Notary Public in and for
the State of Florida at Large

PREMIER REPORTING
112 W. 5TH AVENUE
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P R O C E E D I N G S

CHAIRMAN FAY: All right. Good morning, everyone. Take your seats. We do have a busy agenda today, so I am going to try to make sure we move through some of these parts fairly swiftly to allow the Commission and some of the reports that are being presented by staff time for Q&A, if my colleagues have anything that we want to get to on this.

We will first be starting with a presentation related to some of the underground facility damage prevention. And if I could, I am going to have Commissioner Passidomo, real quick, Commissioner Passidomo, if you would like to introduce some of the folks that are speaking, or add some context to these speakers today, you are recognized to do so.

COMMISSIONER PASSIDOMO: All right. Thank you, Mr. Chairman.

Yeah, I am excited about this opportunity. As you guys know, I sit on the NARUC subcommittee for pipeline safety, and so just having an opportunity to really emphasize safe digging. So I want to introduce today Mark Sweet. He is the Executive Director of Sunshine 811.

The Sunshine 811 organizes and administers the notification system of pending underground facility excavation and promotes education and compliance with Chapter 556, which is the Underground Facility Damage Prevention and Safety Act. I asked Mr. Sweet to provide an overview of his organization to highlight the importance of safe undergrounding practices.

And in addition, John Kohnke. He is the Domestic Security Coordinator at the Department of Financial Services in the Division of State Fire Marshal.

In 2020, the State Fire Marshal was given enforcement investigative authority under the Underground Facility Damage Prevention and Safety Act. So I asked him to provide a perspective on safe undergrounding practices and the work of the State Fire Marshal's Office in the state.

So I appreciate both of these guys coming out today, and we look forward to your presentation.

CHAIRMAN FAY: Great. Thank you, Commissioner Passidomo. And I know you are active on that committee. That means a good bit, so I appreciate you serving on there.

With that, Mr. Sweet, we will turn to you to begin your presentation. We may have questions where folks, our Commissioners will interject, but most of the time we wait until the end to get there if we have Q&A.

So with that, you are recognized to begin your presentation.

MR. SWEET: Well, very good. Thank you.

It's my pleasure to be here this morning. And again, I welcome the opportunity to come before the Commission and talk a little bit about damage prevention and safety, and Sunshine 811 it's near and dear to me.

I would like to introduce some gentlemen that are here with me today. Brad Martin is our Northern Area Liaison. Brad is in the audience here. He works with all the excavators and the members in the north Florida area. We have three other liaisons as well in Florida that have a similar function.

Also here today is our General Counsel, Lane Flowers, and our legislative counsel, Chris Lyon, and General Counsel, Robert Williams. And I believe John Kohnke is on the way.

But I have got a little presentation, a little overview of operations that I would like to share with you. We'll start by -- there we go.

Sunshine 811 was -- was created for the purpose of protecting Florida's underground infrastructure. It was -- the Underground Facility Damage Prevention and Safety Act was passed back in 1993, and it created Sunshine 811. Actually, Sunshine State One-Call of Florida, Inc., is our corporate name. We do business as Sunshine 811 now. But we were -- we were created for the purpose of helping to protect Florida's underground facility infrastructure and ensure public safety.

Last year, we processed 2.2 million locate tickets and transmitted those, 15 million of those to our member companies.

We are governed by a 21-member Board of Directors. They represent all the major utilities in Florida, both private and governmental. And we -- we currently have just over a thousand members, about 1,036 member operators. Those are the entities that own and operate underground facilities in the state.

When anyone digging in Florida wishes to dig, they must call 911 two full business days before doing so, and -- or go on-line on our IT program, and they notify us of their intent to excavate. There is information that we take that's required, and then we transmit that to our members. And that's known as a locate ticket, or locate ticket request. In the industry, it's called a ticket. We took 2.2 million of those last year.

Florida, as you know, is the third large estate in the nation, and it follows that we are about the third largest 811 center. We have a lot of activity. A lot of digging in Florida.

Our function, as the underground facility damage prevention organization, is basically twofold. To process these locate requests, to take them and receive them from excavators, the public, homeowners, anyone digging, and transmit those to our member operators.

Also, hand-in-glove with that is the responsibility to educate Floridians. We want everyone in Florida to know that they must call, they must notify 811 before they dig. Again, to prevent damage to underground facilities and to keep those persons digging in an area to keep people safe.

To do this, we provide education. I mentioned Mr. Martin, Brad Martin. He is one of our four area liaisons, safety and education liaisons. We have a department dedicated to education and public awareness. And last year, they provided 5,000 hours of education to industry professionals in the form of on-line presentations, personal, you know, on-site presentations, in a variety of ways.

We provided 2,427 educational hours to enforcement and fire personnel. They have a key role in enforcing the provisions of 556. And our role so to help them understand what the act requires, and what the citeable violations are under 556.

We have a very strong on-line presence. And last year, we had 1.5 million page views on our 811 page. And we encourage people to go there for information and resources.

We look at the data. We are very data-driven at Sunshine 811. In Florida, member operators, the utilities, are required to report annually damage from excavation to their utilities to Sunshine 811. They do this at the end of March for the preceding calendar year. And last year, there were 23,846 total damages reported. That's roughly 11 per 1,000 incoming tickets.

We also maintain, it's kind of an informal noncompliance reporting process. A member operator or an excavator can file a report with us alleging that a violation of one of the provisions of 556 has occurred. What we do, we take that information and we transmit it. We send it to the alleged party in violation, and we offer education. That's the function. And last year, we took 1,783 of those noncompliance -- alleged noncompliance reports.

I mentioned earlier enforcement of 556. In the state of Florida, last year there were 68 citations written statewide. The previous year we had 89. So a bit of a decrease in the enforcement of 556 from last year to the prior year.

In case you are curious, the citations that were written last year were in nine counties total out of 67, and 50 of those were in Broward County. So some of the -- some of the counties emphasize enforcement of 556 and others do not.

The prior year, with 89 citations written, 2021, 11 counties. Again, Broward kind of led the pack there with 58 citations having been written that year. Oops.

This is a little snapshot of the damages that I mentioned, the $23,000 some odd damages that were reported in the state of Florida. Again, these are damages from excavation activity that are reported to us by the utilities, by the member operators. Excavators do not have to report damage in Florida. Only the member operator.

The top 10 counties, as you might guess, are the most populous counties. Broward is the top of the list there, followed by Dade, Palm Beach, Duval, Orange, St. Johns, Brevard, Volusia, Seminole and Santa Rosa. And that runs fairly standard from year to year. You have the damages where you have the digging activity where you have the population. It just -- it kind of all follows.

We get into the data. We take a look at it. We try to identify what was damaged. How was it damaged? Why was it damaged? An important part of that analysis is a root cause, and we ask the reporting party to identify the root cause of the damage.

Now, out of -- I want to point out, out of the 23,000 damages that were reported, 16,000 of those, about 68 percent, there were no known root cause identified. So either they did not know what the cause was, or they just didn't report it.

But for the remaining 32 percent that did identify a damage -- a root cause, the largest was no notification. No call to 811 was made. There was no ticket. There was no marks on the ground to alert the excavator that there were underground facilities there in the path of their proposed excavation.

The second highest category was not marked due to locator error. Evidently the facility was mismarked, or maybe the wrong facility was marked. There was some error there in the accuracy of the paint, the stakes or the flags marking the underground facility.

The third, excavator failed to protect, shore or support the facility. That means the facility was located, it was marked with paint stakes or flags, and the excavator dug too close to it and did not support it underneath. Fiberoptic cable, they can bend, they can break the cable. The same with anything else that's heavy, you know, carriers maybe flued, needs to be supported during excavation.

The fourth category was the marks were faded. They were lost. They were not maintained. A locate ticket in Florida is valid for 30 days, and the statute requires that the member operator, their locators, maintain those marks for the life of the ticket. That means they need to be visible.

If the marks are obscured by rain, by weather, by traffic, whatever reason, the excavator is required to notify 811 and request a remark, and then the member has to go back and remark those facilities. So in this instance, the damage occurred because the marks were not visible for whatever reason.

Excavator failed to maintain clearance after verifying marks. In Florida, we have a tolerance zone that extends around the underground facility. It's 24 inches around the facility. And the excavator must maintain clearance, and that's a 360-degree measurement too, not just side to side. That is actually most important with directional drilling, with boring.

We get a lot of directional drilling in the state where the crew will go down and put a cable, a submarine cable underneath, and they need to know where they are crossing existing facilities. They do that by potholing or, you know, trying to identify exactly where the facilities that they are going to cross are located so that when they pass, they don't -- they don't damage. So that's the tolerance zone. They are supposed to maintain that clearance. And in those damages, they failed to do that.

Then there were various other root cause, you know, 300 or less damages that were miscellaneous category.

But in Florida, and nationally, the number one reason for damage is no notification. The excavator, for whatever reason, failed to call 811 to have underground facilities located and marked.

As far as the damages reported by group, you can see telecom is the largest by far. They have the largest portion of damages of any of the utility categories. And that makes sense, because they are everywhere. Telephone facilities are everywhere.

You have got your mainline fiber cable. You have got your distribution trunks. You have got your services in neighborhoods. They are everywhere people are, and they are -- typically, the services are shallow, so they are more susceptible to damage if they are not located and marked.

Following that is natural gas. Thankfully there are a lot fewer damages, but natural gas, as you know, is flammable, and that causes a lot of -- a lot of concern if those facilities are damaged.

After that is electric, and then locator public works, private water, unknown and so forth. But the three major categories are telecommunications, natural gas and electric. And it follows that their facilities are the ones that were damaged. They are the ones reporting the damage, and they are the ones that sustain the damage to their facilities.

You can see a three-year trend there, a bar, 2019 in blue, 2020 in brown and '21 in green.

Damages by facility type. Service drop, again, that's the most common facility that's damaged in the state. And that's probably true nationally as well, because they are everywhere, service drop. Distribution is the next on the list, and then it goes quickly to much smaller categories.

Damages by equipment type. Hand tools, surprisingly, hand tools are a very large cause of damage in Florida. And it's interesting, some states have exemptions for hand tools. Florida does not have a specific exemption for hand tools. There are exemptions. Some of those exemptions are work with hand tools, but working with a hand tool does not, in itself, constitute an exemption.

So if you are putting up a fence or a

sprinkler system, or something on your property, you do need to call 811 for notification. There is an exemption if you are digging on an easement or a member's permanent right-of-way, but few people know where that is. So call 811 and have those facilities located and marked.

Drilling is the second category, that's directional drilling, trenchless type excavation. That's the second highest -- I am sorry, heavy equipment is actually the second highest, followed by drilling. Heavy equipment would be your backhoes and trenching machines, where they are actually opening up a trench.

Damages by work type that were reported, installation of sewer facilities were very high. Typically public works projects, installation of sewer -- underground sewer pipes.

The next category is fencing and landscape. And interestingly, these typically are involving private properties, homeowners. So that's a very, very big cause of damage in Florida and elsewhere. Followed by electric, water, telecom, cable TV, natural gas, storm drain and irrigation.

I mentioned earlier that we have a noncompliance process. And again, this -- the purpose of this is to provide education to individuals that have committed, knowingly or unknowingly, a violation of 556. They haven't complied in some way, so a noncompliance report will be filed with us. And again, we provide a copy of that report and an offer of education to the noncompliant party.

This -- these don't go to any enforcement authority. There is no investigation into these. They are not used for, you know, damage claim or insurance purposes. It's primarily -- well, solely for education.

But this gives you kind of an idea of where these noncompliance reports are coming from. I mentioned 1,783 for the state. They -- they break out, about 1,600 of those are filed by excavators against our members, and their common complaint is they can't get the locate done on time. No locate done. Again, two full business days is what the statute requires, and we get a lot of noncompliance reports from excavators saying that the member, for whatever reason, failed to locate and mark my project within that timeframe.

Excavators noncompliance reports, they are very, very rare. Typically our members, the utilities, they do not file reports against the excavators. They just don't as a matter of policy. A few do, but most do not.

But again, keep in mind, 1,783 noncompliance reports were filed, and we took, you know, 2.2 million tickets. So on a percentage basis, it's -- it's really quite small. It would be great if there were no noncompliance reports, but that's probably, you know, unlikely.

I mentioned the citations issued in Florida. 68 citations issued in 2021. Again, nine counties total. The majority of those issued in Broward County. They are very active in enforcing 556, primarily looking at excavators that are digging without a locate ticket. Again, that's the number one cause of damage in this state.

We have recommendations -- we have a couple of reports that we file with the Governor and the President of the Senate and the Speaker of the House. These are required by 556. The annual report we have to file 60 days before the beginning of the legislative session. So our report for 2022 is coming up pretty quickly here.

We also have, it's called a damage -- underground damage prevention and enforcement review. And we have to file that October 1st, again with the Governor, the Speaker of the House and the Legislature.

Part of that report requires that we make recommendations, where education is needed, or -- or a change in the statute, some amendments to improve damage prevention, safety in Florida.

We have four recommendations in our report this year. No. 1 is to continue to assist the office of the State Fire Marshal and the Florida Public Service Commission in the annual PHMSA, Pipeline and Hazardous Material Safety Administration, state damage prevention law enforcement program evaluation for Florida. That's conducted annually. And we all have a role in helping to complete that evaluation.

Again, Sunshine 811 is primarily the educational entity, the notification entity. And the State Fire Marshal is the head of the enforcement role for the state of Florida.

Recommendation No. 2 is work with the Florida Court Clerks and Comptrollers to have the Underground Facility Damage Prevention and Safety Act citation included in electronic systems used by Florida law enforcement agencies, and also the clerks of the court.

We do have -- we developed a standard citation form for use of authorities that wish to enforce 556. It's important that that be recognized by those agencies as a valid form, and also by the clerks that they are going to get those -- those citations, or process them. So we want to work with the state association to help get the word out about the existence and the significance, the meaning of the citation.

I -- I probably need to mention that Florida law, there is the standard fine of $500 for violation. There is seven basic violations. Again, no notification is the first one.

The local entity that writes the citation by law can retain 80 percent of the funds, or $400 locally. And that goes to the clerk's office and, you know, they dispense that in the county as they see fit. But that's also part of the educational effort that, that -- that -- done in an effort to incentivize, or try to offset some of the costs of enforcement by the local entities who are basically the enforcement authorities statewide, a distributive kind of a model.

Okay. Our third recommendation was to partner and work collaboratively with the office of the State Fire Marshal to develop and implement awareness and education to reach key audiences within the enforcement process.

And those key audiences are -- there is a very large audience in Florida. Again, the State Fire Marshal is the top, with authority for enforcing basically everything. You also have local fire chiefs, district fire chiefs, the fire departments, sheriffs offices, police departments, code enforcement, all of these agencies, as well as state law enforcement, may and can enforce Chapter 556.

So Florida has a kind of a distributive model of -- of enforcement as opposed to most states that it's centralized, typically at the Public Service Commission, as an agency that has responsibility for reviewing and issuing fines and penalties. Florida is different.

The issue with PHMSA and Florida's continued inadequacy is it's not enforced consistently. They think the law is fine. They have said it looks good. The fine structure is good. It's fair and balanced, but it's not being enforced consistently and equitably. And they look at the fact that, you know, eight or nine counties in Florida are enforcing, not all 67. So that's kind of our Achilles heal in Florida as far as PHMSA, consistent and equitable enforcement across the entire state.

Our fourth recommendation is to complete our on-line education program and offer a forum for law enforcement and damage prevention stakeholders to share their knowledge and their skills about enforcing 556. Maybe have the folks from Broward, or those agencies that have success that have some background, some experience in enforcing, share that with other agencies that might be interested in enforcing but maybe a little cautious, so --

And -- and also, we -- we want to complete our on-line education program. This would be something that could be reviewed and completed by officers at their own pace. We are well under way. That's just about done. We have a goal to get that out by March, and we are -- we are just about there, early.

If I have a few minutes, may I share with you just a quick review of our enforcement presentation to the first responders?

CHAIRMAN FAY: Sure. If -- and just maybe I can ask you, Mr. Sweet, if you can do it somewhat briefly, because I want to leave time for the Commission to be able to ask questions for you, so go ahead.

MR. SWEET: Okay. Thank you.

We've developed this. It's a first responders program. We -- we work with Paradigm. Paradigm is an agency that's hired by -- a corporation hired by the gas companies, primarily the transmission companies to conduct public education under federal law RP1162, and they offer us an opportunity to present information on 556. And we have, for many years, participated in their sessions. 37 of these have been done this year-to-date. I think about 18 of those involve enforcement specific. The others are other aspects of damage prevention and safety. But we've had a couple of hundred enforcement officers actually participate in that.

And I will just give you a quick review of what we present. It's very basic. This is intended, again, for an enforcement audience, police, fire, code enforcement.

Chapter 556 created Sunshine 811. Members are underground facility owners and operators. Excavators are required for notify prior to excavator. Member operators are required to locate and respond by marking if their facilities are in conflict.

There is -- sorry. Six steps to safe digging. Prepare. Notify. Wait two or 10 full business days -- 10 if it's an underwater locate. Verify the positive response information. Protect those facilities. Save the marks and dig safely. Respect that tolerance zone.

What is excavator or demolition under the law? Anything of that moves dirt, including hand tools. Anything in Florida. Auguring, boring, drilling, grading, razing, scraping, setting poles, trenching, moving removing structures, scraping pavement, moving/removing structures. Scraping pavement, removing sidewalks, that's all considered excavator.

Why should we enforce it? Well, to save lives primarily. Save lives and prevent damage.

Who can enforce 556? Local or state law enforcement officers, government code inspectors, code enforcement officers, Fire Marshal or agents, Fire Chief of the special district, municipality or county.

There are basically four levels of enforcement that -- the categorization is one, two, three, four, that's not codified anywhere. But just understand, there is four levels. The basic first is civil $500 all facilities. If you are digging and you don't have a ticket, you could be cited $500. If you have a ticket, you are a utility and you failed to locate and mark that, or respond to it, it's $500. And there are several more as well. There is seven basic violations.

Level 2 is an enhanced civil penalty. This was new. This was put into the law back in July of 2020. And if any of -- if five of these basic violations involve PHMSA regulated facilities, primarily a gas oil pipeline, a major pipeline, that fine level increases to $2,500.

Level 3 is penalty determined by the State Fire Marshal up to -- a fine of up to $50,000 can be levied for a violation of 556 that damages a high priority subsurface installation. And that, again, is one of these major, it's a PHMSA regulated transmission, like gas, oil, petroleum or hazardous material pipeline. And the State Fire Marshal has that authority to conduct those investigations and issue a fine of up to $50,000.

Level 4, criminal misdemeanor. That's if someone is knowingly, willingly removing markers, either a temporary marks, the paint, the stakes or the flags, or permanent marks. As you see to locate fiberoptic facilities or gas.

And that's -- that's it.

CHAIRMAN FAY: Okay. Great.

Mr. Sweet, there are -- there is, I think it's maybe your last two slides, 34 and 35 on here that talk about emergency exception and other exemptions. I didn't know if you had any information on that, but I would imagine, depending on the situation, you see emergency exemptions that are applied for those who dig, and I don't know how you validate one way or another that that entity needed to do it at the time. Is that something that you guys struggle with or is it pretty clear?

MR. SWEET: No. No. We -- the statute defines -- it exempts an emergency exemption if it's necessary for certain cases. And if you will give me just one moment here, I can refer -- I am going to leave you with our little pocket damage prevention guide. It's really handy --

CHAIRMAN FAY: Yeah.

MR. SWEET: -- the state has one of these.

CHAIRMAN FAY: And you don't have to pull the exemptions for me. I was just curious if it's something that, when you make the evaluation, if that's clear or not, or is it the enforcing entity that would decide that?

MR. SWEET: Well, what we do is we -- we ask the caller if they called us, the statute says that they can effect emergency repairs without notification if they provide notification as soon as possible. And what they have do is notify us, they have to call us, and we ask five questions. You know, what is the emergency? Is it the escape of a dangerous substance? Is it a damage to a transportation facility? Is it interruption of a vital utility? If they answer positively to one of those, then it's an emergency ticket and it goes out to the members as an emergency. So that's -- that's kind of our process for handling it.

If -- if there was no ticket, obviously if an enforcement officer pulled up to the site and asked for a ticket, and was told, well, this is an emergency excavation, then, you know, some -- some discussion would ensue and the officer would have to make a determination. Does this look like an emergency? Does it meet the criteria? And chances are it would be.

If they are putting in a fence, or mailbox, or, you know, something like that, it probably isn't going to look much like an emergency. So they did -- the enforcement does require some judgment. Absolutely.

CHAIRMAN FAY: Thank you.

And I know my colleagues probably have questions. I have one more for you. And you don't necessarily need to go to your slide, but in slide six where you had the root causes for reported damages. And the numbers that you had there, I think, were maybe an estimate of it, like, 5,000, 6,000 specific total that include the root causes, and then you have about 16,000, so I guess about three times that that are unknown by definition. You had mentioned in your presentation that that included causes you didn't know or were not reported, or the cause was not reported. So is that why there is such a significant increase in the unknown number, because if it's not reported, then you have no way of knowing what that cause was?

MR. SWEET: Well, it -- the 23,000 includes all damages that were reported to us. And the statute requires, again, that member operators reports to us at least once annually all damages in a given year due to excavation, and the root cause, if known. If known. They have to report the damage and the root cause if it's known.

So 23,000 of those damages were reported. 16,000, there was no root cause identified. Either they did not know it or they failed to report it. We are not -- we can't really make that determination.

CHAIRMAN FAY: Okay. And have you looked at all as to how to improve that gap, so then maybe the data would provide information as to what those causes are more likely are and ways to eliminate them, or is that sort of outside your purview?

MR. SWEET: Well, I think what would be needed there is a change in the statute. It's pretty broad right now. It only requires that a damage be reported.

CHAIRMAN FAY: Okay.

MR. SWEET: And only once annually. So what we get is, typically, once a year, for the appreciating year, a lump sum total. It would be great if damages were reported, you know, within some period of time, a reasonable period of time, 30, 60, 90 days, if that were possible, and include the root cause. I mean, that would be great.

CHAIRMAN FAY: Sure.

MR. SWEET: That would be great. I know that does require some investigation, though, by the members, and that takes some time.

CHAIRMAN FAY: Yeah. Okay. Great. Thank you for your presentation.

I will go to my colleagues next.

Commissioner Clark, you are recognized.

COMMISSIONER CLARK: Thank you, Mr. Chairman. Thank you, Mr. Sweet, for your presentation today.

I have, kind of an operational questions. I was approached by a contractor that asked this question, and I didn't have an answer for him.

It seems as though if you are doing work on a particular parcel of property, and you have called 811, they do a locate, and, for example, the plumber has a locate request in. Do you require each additional contractor that is coming to work on that property to do a -- also call in and is have a locate done before they work to relieve them of liability?

MR. SWEET: Well, the statute requires that anyone digging must call. So obviously the -- you know, the most, I guess, cautious interpretation of that would be if you are digging, you need to have your own ticket.

In Florida, contractors are allowed to include subcontractors on the ticket. So if you have a prime contractor with a -- with a major project, if they are willing to list the subcontractors that are working for them, they can do that on the ticket. Now, they -- you know, obviously, they are -- they are assuming some additional liability by doing that, but that's their decision.

The statute says that excavators must -- persons digging must have a ticket.

COMMISSIONER CLARK: Is there a -- there is not a practical solution for this problem? If you have five contractors that are going to be work working on a piece of property and they are working 10 days apart, each one of them has to call for a locate. I think the -- I see some duplication of services here that doesn't seem very practical to me.

MR. SWEET: Well, that's -- that's basically the requirements of the statute currently, that each excavator has to have their own ticket, unless, again, the prime contractor is willing to list them on their ticket.

COMMISSIONER CLARK: They are not going to be willing to do that. They become liable for the work that they are doing at that point.

MR. SWEET: Right. Right.

COMMISSIONER CLARK: Yeah. Okay.

CHAIRMAN FAY: Great. Thank you, Commissioner Clark.

Commissioner Passidomo, you are recognized.

COMMISSIONER PASSIDOMO: Thank you. I just have one question.

I thought it was interesting that, you know, the majority of those noncompliances are kind of concentrated into several -- a few -- a few counties. And so I think -- I am just curious, is there something that we can do, or that your organization can do to better disseminate that information to those counties that have the highest noncompliance rates?

I don't know if it's -- you know, if you mentioned it's the lack of adequate enforcement and that there was -- that they are able to keep some of those, the penalty charges and fees, so that could be something better to, you know, make sure that they get more engaged in the process, or if it's the actual excavators that are not following, you know, don't have adequate information. So what can we do to better get that information out to those counties?

MR. SWEET: What can the Commission do to assist us? Is that --

COMMISSIONER PASSIDOMO: The Commission and Sunshine 811. But, yeah, in particular the Commission, if there is anything that we can do.

MR. SWEET: You know, information, education is always helpful. You know, it's necessary. And we try to, you know, publish the information and get it out there.

And again, we receive these notices -- there is actually no requirement in 556 that we administer a common compliance process, but we do it to try to help foster communication between the excavator and the member.

These -- these reports go to our board members. Again, the 21 members that comprise our governing board, they get the reports every month. So they see those reports. And most of the reports, as you could see, probably 70 percent are filed against the utilities, the member operators, for failure to locate timely.

So they get those reports. They are aware of the reports. You know, we -- we include them in our annual reports. We think they are important.

As far as what we could -- what, you know, we could be willing to look at other avenues to get that information known. Certainly, enforcement is important. And that's kind of the, you know, the bottom line, I guess, to everything, you know. If there is not compliance, you know, there is education, but there is still not compliance. Well, at some point, there needs to be enforcement. So, you know, we would welcome more enforcement.

COMMISSIONER PASSIDOMO: That said, and a way of just contacting those county, you know, the enforcement agencies within the counties to make sure that they are doing their part as well?

MR. SWEET: Well, we are going to be working -- that's a very good suggestion. We are going to be working with the Florida Sheriffs Association, the chiefs of police associations, and, you know, individual counties, certainly, where these problems are the most pronounced, to try to emphasize the need for stronger enforcement and greater compliance. Damage prevention and safety is really the bottom line here. It's in their interest as well.

Thank you.

COMMISSIONER PASSIDOMO: Thank you.

CHAIRMAN FAY: Great.

Commissioner La Rosa, you are recognized.

COMMISSIONER LA ROSA: Thank you, Chairman.

And I thought was a good point by Commissioner Passidomo, taking about, you know, where damages happen and whatnot. Just a point that I saw was that just looking at where the most occurrences happen, of course, they happen in the more populated area. I thought it was unusual, but Pinellas and Hillsborough Counties, which are obviously are a well populated part of the state, is low. So I am kind of curious, you know, why that is just in general, but that is not my question.

The question is, is that I am looking through all your different charts that you have presented for us today. And thank you very much for your presentation. When tracking the damages or the occurrences, is there any correlation back to what's been permitted and what's not? So as far as incidences -- incidences -- I am saying that world correctly -- happening when there is a permit in place or when there is non-permitted work being done?

MR. SWEET: We don't track that specifically, Commissioner. That -- on our locate ticket, we do ask if a permit is required. And anywhere where there is excavation in public rights-of-way, typically there is a permit required by the city or the county.

We will ask that question, and we will put the ticket number on there if they provide it to us. But we don't make any attempt to correlate the damages with, you know, permits or not permits.

COMMISSIONER LA ROSA: Okay. And then not knowing 556 super well, I am obviously familiar with the statute and whatnot, but don't remember the some of the enforcement mechanisms. And I know you talked a little bit about that today. Does local government have the ability to make enforcements? I know you talked about the comptroller and some countywide officials, but just kind of curious about the jurisdiction.

MR. SWEET: Yes, they do. Yes. Every -- every local agency, enforcement agency in Florida is authorized to enforce Chapter 556, police, and including fire and code enforcement.

COMMISSIONER LA ROSA: Okay. And is there a breakdown, just out of curiosity, of, like, of which jurisdictions, you know, I am going to say enforce the most penalties, or just any tracking of that?

MR. SWEET: We do track that, and we report that. Again, that's the 68 citations. It's very, very limited in Florida. I would be happy to provide a copy of that report to y'all.

COMMISSIONER LA ROSA: Yeah. I would be curious just to kind of dig through that. And then just curious kind of how that changes over time as your education efforts, and so forth, are continuing.

MR. SWEET: We can forward that report to you.

COMMISSIONER LA ROSA: Awesome. Great. Well, thank you very much. I appreciate the presentation.

MR. SWEET: Thank you.

CHAIRMAN FAY: Thank you, Commissioner La Rosa.

And do you have, I would say I guess it's defined as levelized data? I mean, have you looked as to per population the damage incidents? I know in your charts, your point, typically the most populated counties are going to have the most incidents, but have you looked at breaking those numbers out and seeing, you know, per population, per person?

MR. SWEET: We have not. We have not.

CHAIRMAN FAY: Okay.

MR. SWEET: That might be an interesting metric to take a look at.

CHAIRMAN FAY: Okay. Great.

With that, I think that completes the presentation, if there aren't anymore questions.

I know Mr. Kohnke was going to try to be here this morning from the Division of State Fire Marshal, and something has come up and he is not able to be here for his presentation. But I am well aware that our current Chief Financial Officer, who oversees the Division of the State Fire Marshal, is a former Commissioner at the PSC, and I know probably has an interest in this, and is active in their engagement. So we will get with Mr. Kohnke if we have any questions or information that we need, Commissioners. He didn't have a specific presentation here, so I just want to make sure we still offer him up for Q&A if you have anything that you need.

And with that, Mr. Sweet, I think that

concludes your presentation and our questions. It is common sometimes for the Commissioners to have follow-up questions as to anything specific. And it sounds like you have some materials, and based on Commissioner La Rosa's questions, you will provide us --

MR. SWEET: Yes.

CHAIRMAN FAY: -- that report. And thank you very much for bringing your team in here also today. I know we look at these numbers, and a lot of charts, but as you have said, it's really about saving lives. I mean, it's a significant issue, so I want to thank Commissioner Passidomo for bringing this up, and for you taking your time to be here this morning.

So we do have a packed agenda, so we are going to move on to our next item, but thank you again to you and your team for being here.

MR. SWEET: Thank you very much.

CHAIRMAN FAY: I will give our folks to get settled in before we move to our next item.

All right. Commissioners, next we are going to move to the Draft 2022 Annual Report on Activity Pursuant to the Florida Energy Efficiency and Conservation Act. We have Mr. Barrett here for a presentation and summary on that report, and then we will allow questions or comments on it after we hear from him.

Go ahead, Mr. Barrett, you are recognized. Good morning.

MR. BARRETT: Good morning, Commissioners. Michael Barrett with the Commission staff.

Item 2 is the draft annual report on activities pursuant to the Florida Energy Efficiency and Conservation Act. We know it as the FEECA report. Section 366.82(10), Florida Statutes, requires the Commission to submit this report annually to the Governor and the Legislature by March 1st.

The report summarizes each utility's accomplishments towards meeting goals for the 2021 calendar year and cost recovery for the related programs.

Staff is seeking approval of this report and asks for the ability to correct any 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 to the Governor and other parties.

I am here to answer any questions you have, and subject matter experts from the utilities are also available for that purpose.

CHAIRMAN FAY: Okay. Great. Thank you so much for the summary of this item.

I know, to your point, we have the utilities on the line to answer any specific questions if we have those regarding the report.

Commissioners, I am happy to take any questions on the report, also any comments potentially. And if not, we can go ahead and take up the report for approval.

So seeing no comments or questions at this time, I will take up a motion for approval on this report.

COMMISSIONER CLARK: Move to approve the report, Mr. Chairman.

COMMISSIONER GRAHAM: Second.

CHAIRMAN FAY: Okay. We have a motion and a second to approve.

Showing no objections, we will approve that report.

Mr. Barrett, thank you so much for your work on this.

MR. BARRETT: Thank you, Commissioners.

CHAIRMAN FAY: All right. Commissioners, next we will move to Item No. 3, which is the Draft 2022 Lifeline Assistance Report. I will give our folks a second just to get settled in here to provide us a summary of that.

All right. Mr. Fogelman, Ms. Deas, good morning. You are recognized to present your summary on this report.

MS. DEAS: Good morning, Commissioners. Sakina Deas on behalf of the Office of Industry Development and Market Analysis.

Item 3 is staff's Draft 2022 Lifeline Report, which is submitted annually to the Governor and the Legislature. It details Lifeline participation trends, regulatory actions impacting the Lifeline program, as well as Lifeline awareness promotions in Florida.

This year, there was a 10-percent increase in Lifeline participation. However, there continues to be more eligible households than currently are enrolled.

Staff requests editorial privileges to address any non-substantive changes or numerical updates. And staff is seeking approval of this report, and we are available for questions.

CHAIRMAN FAY: Okay. Great.

With that, Commissioners, I just have one question, and then I will go to my colleagues here.

I noticed in this -- and it seems like when we see this report, this has been consistent, but the participation for individuals who participate in SNAP is very low. And I am guessing that has, in large part, due to they are just on a different provider and they may not want to change their provider; because your data shows Assurance, SafeLink, and I think are kind of, like, the main carriers to the ones that provide the services.

But do you have any thoughts on if we might see an expansion, or we will continue to see a reduction in those enrollment? And if maybe they get -- do those individuals get any information from their participation in SNAP that tells them their, you know, they might qualify for this?

Ms. Deas are or Mr. Fogelman, either one.

MR. FOGLEMAN: Sure. Greg Fogelman.

So when a customer is signing up for Food Stamps -- Food Stamps, for example, they are provided some information, and they can select from a list of providers to get further information. And so depending on, again, like you had said, if that's not their provider and, say, they are in a contract with, say, Verizon Wireless, well, then they might be kind of stuck, the penalties for switching carriers might exceed that of the benefit of the program.

With that said, Lifeline and the Affordable Connectivity Program, those two programs are -- are -- increase the value for customers that are eligible, and that can go on them. So we have seen that slight increase in participation.

So I am optimistic that, maybe going forward, we might see some increases going forward, but only time will tell.

CHAIRMAN FAY: Okay. Good. So they do -- to your point, they do get the information potentially they would qualify based on that?

MR. FOGLEMAN: Yes.

CHAIRMAN FAY: Okay. Great. Yeah, it's just such a low number, I what is curious why.

MR. FOGLEMAN: Yes. I mean, it is -- it is low, relatively speaking, at 18 percent right now.

CHAIRMAN FAY: Yeah. Okay. Great.

Commissioners, any questions or comments on this report? If not, I will take a motion to approve the report.

COMMISSIONER CLARK: Move to approve the Lifeline report, Mr. Chairman.

COMMISSIONER GRAHAM: Second.

CHAIRMAN FAY: Okay. We have a motion and a second for approval.

Showing none opposed. So with that, the report is approved.

Thank you, Mr. Fogelman and Ms. Deas, for your summary.

All right. Commissioners, next we will move to the Draft 2022 Report on Efforts to Reduce the Regulatory Assessment Fee for Telecommunications Companies.

Staff, you are recognized to present that item when you are ready.

MR. LONG: Good morning, Commissioners. I am Mark Long with IDM.

Attachment 4 is the draft of the 2022 Telecom Draft Report. It's a report that we send annually to the Governor and the Legislature.

Staff is seeking approval of the draft report and is available for any questions.

CHAIRMAN FAY: Great. Thank you, Mr. Long.

Commissioners, any questions on this report? I know it's not a lengthy one, but I just want to make sure we give you an opportunity if there is any comments.

With that, we will take a motion for approval of this report.

COMMISSIONER CLARK: Move approval, Mr. Chairman.

COMMISSIONER GRAHAM: Second.

CHAIRMAN FAY: Okay. We have a motion and a second for approval.

None opposed. With that, show that report -- approve the Regulatory Assessment Fee Report approved.

Thank you, Mr. Long. I appreciate you being here this morning.

All right. Commissioners, with that, we will move to the Recertification of Florida's Relay -- Relay Program with the Federal Communications Commission.

We just love telecom up here this morning. So when -- you are recognized to go ahead and present that report.

MR. WILLIAMS: Good morning, Commissioners --

CHAIRMAN FAY: Mr. Williams, it's good to see you this morning good.

MR. WILLIAMS: Good morning. Curtis Williams with the office of Industry Development & Market Analysis.

Item 5 is the Recertification of Florida's Relay Program with the Federal Communications Commission.

Recertification of all state relay programs is required every five years by the FCC. The recertification filing contains documentation that Florida meets or exceeds all applicable relay mandatory minimum standards.

Attachment A to the memorandum includes a draft state program narrative by staff. The remainder of the recertification filing that will send to the FCC, but is not included in what you are reviewing this morning, was provided by Sprint.

Florida's current relay certification will expire on July 25th, 2023. Staff is requesting approval to file the recertification by December 1st, 2022, as requested by the FCC.

Staff requests editorial privileges to address any non-substantive changes and is available for questions.

CHAIRMAN FAY: Okay. Great. Mr. Williams, thank you for your presentation on that.

I have in here that the Commission would be essentially approving Attachment A that would be included in the recertification. And so that -- that's the request for this item.

Commissioners, any questions or comments on this item?

With that, I will take a motion for approval of Attachment A.

COMMISSIONER CLARK: Move approval, Mr. Chairman.

COMMISSIONER GRAHAM: Second.

CHAIRMAN FAY: Okay. We have a motion and a second.

None opposed. With that, Mr. Williams, we have approval of for that item.

MR. WILLIAMS: Thank you.

CHAIRMAN FAY: Thank you.

All right. Commissioners, next we will move to the Update on the Federal Infrastructure Investment and Jobs Act and Summary on the Inflation Reduction Act.

I will let our folks get into place here as I know this is a very detailed and thorough report, so make sure we have got all of our team available.

And with that, whenever you are ready, Mr. Vogel, you and your team are recognized to present the report.

MR. VOGEL: Good morning, Commissioners. My name is Matthew Vogel with IDM.

Item 6 is staff's update on the Federal Infrastructure Investments and Jobs Act and a Summary of the Inflation Reduction Act. I will be addressing the IRA, while Matthew Hardy will be addressing the Infrastructure and Jobs Acted.

On August 16th of this year, President Biden signed inlaw HR5676, or the Inflation Reduction Act, which changes tax code provisions related to the energy transition and renewable energy production, as well as increasing funding for loan guarantees established by the Energy Policy Act of 2005. Attachment A provides a summary of the key provisions of the IRA.

Staff would just like to note that the IRA does not require any actions be taken by the Commission, and that much of the legislation involves changes to the tax code.

CHAIRMAN FAY: Great.

And then, Mr. Hardy, you can go ahead, and we will just -- we will take your summary now too, and then we will open it up for questions on both. You are recognized.

MR. HARDY: Good morning, Commissioners. My name is Matthew Hardy, and I am with IDM.

On November 15th, 2021, President Biden signed a law HR3684, the Infrastructure Investment Jobs Act, also known as the bipartisan infrastructure law, which contains provisions authorizing programs for water, energy and broadband infrastructure. At the January 2022 Internal Affairs meeting, staff provided a summary of several provisions of the BIL that could impact Florida's utilities.

Additionally, the Florida Public Service Commission was required by the BIL to consider whether it complied with Section 40104, utility demand response, and Section 40431, electric vehicle charging programs, or whether it needed to take action. The Commission determined no further proceedings were required to consider this standard set for the record in Section 40140 and Section 40431.

Since the January 2022 Internal Affairs meeting, staff has monitored the BIL and identified updates regarding pertinent provisions. Attachment B provides a summary of the funding opportunities and implementation of requirements of the provisions within the BIL that are applicable to the state of Florida an its utilities.

On November 21, 2022, staff submitted a revised Attachment B. The first provision involves Section 40101, beginning on page nine. That section was rewritten to show that it contains two grant programs instead of one.

The second revision is the insertion of Section 40107, the Smart Grid Investment Matching Grant Program, beginning on page 18. Section 40107, the Smart Grid Investment Matching Grant Program is a part of the grid resilience and innovation partnership program, also known as GRIP.

Staff also notes that the U.S. Department of Energy has published an additional funding opportunity announcement for Section 40103, the Grid Innovation Program, and the first request for proposals under Section 40106, the Transmission Facilitation Program.

Staff is available for any questions.

CHAIRMAN FAY: Okay. Great. Thank you, Mr. Hardy.

Commissioners, I will take questions. I know we've got both of these acts kind of encompassed in this update to the Commission, so I will recognize any questions, if there are any.

Oh, Commissioner La Rosa, go ahead. You are recognized.

COMMISSIONER LA ROSA: Thank you, Chairman.

I have got kind of a general question, not necessarily to a specific program. But I will use a specific program, that's kind of where my notes are.

A lot of what the funding was created for is -- kind of, you know, overlaps a lot of what we do here at the Commission. How would it work, just kind of in a very -- in a layman's perspective is -- you know, I know there is money set aside for the states. Are they set aside for the states to apply for, or are they set aside for the companies within the states to apply for? Just kind of help me walk through how that process works, and what we can expect.

I guess what I am getting to, and I will just kind of tell you what my thoughts are, is -- does that alleviate us -- that's the wrong word. I don't want to say alleviate. Does that assist the State of Florida as far as where our funding comes from and what the companies are currently spending and what we've approved? I am curious how that's going to affect us long-term, kind of where I am getting to --

MR. HARDY: Yes, sir. I see where you are coming from.

So with is the U.S. Department of Energy overseeing the implementation of the funding opportunities that deal with what we do at the Commission and our electric utilities, a lot of the programs, it's kind of mix and match. Some of them the utilities apply directly for, and then some of the other ones are, like, state and local governments and tribes apply for.

The ones that kind of talk generally just about the state governments -- I had the opportunity to talk with the Florida Office of Energy, and typically what happens with those is the Governor's Office appoints agencies to apply for that, and then they kind of determine who is going to apply for that, be responsible for the application of the funding opportunity.

So it's kind of a mix and match. It's just depending on what the specific programs were. Because some of it is geared towards states, and then they give it off to the utilities, or some of it just directly for utilities to apply for. So it's a mix and match with the programs here.

COMMISSIONER LA ROSA: That's kind of what I thought, right, after reading through everything. I wanted to make sure I wasn't missing something. It doesn't sound like I was. Obviously, a lot of different directions.

And just a thought in general, not a question. I am curious, how we, as a commission here, can kind of help that process, right? Whether it's, you know, to the Governor's office, the Legislature, to be as efficient as possible. A lot of these funds that are set aside, I am kind of curious, one, where they go, what are the parts of the country they go. And if they are not utilized, you know, does that hurt us here in Florida? At the end of the day, this money is spent, and I want to make sure we get our fair share as much as we can.

CHAIRMAN FAY: Yeah. It's a great question and point, Commissioner La Rosa.

I might kick it to our Executive Director. I mean, I think the report does a really -- I thought you guys did a great job of laying out kind of what was out there. And I know sometimes when these times of things pass on a federal level, nobody is really sure what's included in all of these until there is some time to digest and have the agencies look to implementation.

And I have the same -- or a similar question as Commissioner La Rosa. I mean, when we start looking at all of these programs, and just the amount of funding that is included in those, especially with grid hardening and some of the other things that are in here, we not only, as an agency, but as a state, have to start to decide, well, what can we do that might potentially benefit, not only our grid, but maybe even provide relief to ratepayers as it relates to some of these programs?

So, I don't know if, Mr. Baez, if we would maybe look in the future having, you know, the utilities, or maybe having more information from our folks as to how the implementation of these would impact the Commission. Because I know some states have their own division -- or their own energy office, which ours is, I guess, located in DACS. And then we have Environmental Protection and then the PSC's role. And I know ours would be limited as it relates to any type of grant or anything, because we are the regulatory arm.

But I think we probably will have some

opportunity to look at how those costs could be offset by these funds, or maybe just how we could take that up as a state to support those who are applying for these funds.

MR. BAEZ: Let me see if I can -- there is a lot that's rolled up in there, and I think part of Mr. Hardy's explanation, and to Commissioner La Rosa's question, there are different buckets of money identified, and some things are earmarked for states, and states can apply to grants.

And as far as your question to what we can do to help that along, I think it would go a long way if, you know, if the Commission felt general and there was some consensus to encourage that.

I don't think that there is much, to my knowledge -- and I am subject to correction. I can stand corrected at any time. But it doesn't seem to me that there is much official process that we can lend to it to more than encourage, say, the Governor's Office, or the Office of Energy, or whoever the appropriate state agency that gets designated. And I am at a loss now whether it's the legislation that designates the state agency, or more likely the Governor's Office that designates the state agency.

But all that said, I think a positive word on behalf of the Commission should -- could suffice at that point. That's a soft standard.

There is a whole other bucket of money, if you will, in terms of the grants that are available to the utilities. I am not aware -- and again, I am not going to play lawyer here -- I am not aware of any mandate on the part of the Commission or by law even that requires the utility specifically to go out and seek that. So I would fall back again on whatever the Commission's pleasure is in terms of encouraging that.

The offset -- somebody mentioned the offset. It may have been Commissioner La Rosa. It may have been the Chairman. Now I can't --

CHAIRMAN FAY: It depends on what you are about to say.

MR. BAEZ: -- I am not going to throw anybody under the bus, but I know the word came out, that notion. That's a -- I don't -- honestly, I don't know what the answer to that is. I mean, that's an accounting question, isn't it? And it would seem that whatever funding came from one end has to be dealt with and accounted for appropriately. I just don't know that we have, at this point -- and somebody can answer that for me maybe -- but I don't know whether we have at this point currently a circumstance where a utility is proposing any kind of treatment specifically to some, you know, federal funding, whether through this act or another. I mean, I think that's a pretty generic topic to talk about. In terms of offset, I think it's one of those, you know, if it shows up, we -- we discuss it and we find a way to resolve it.

But I will stand on my original statement is, I don't know that we have -- there is any mandate in place. That there is any obligation officially anyway. I mean, if it's the right thing to do, I think the utilities would do it. And if it's something that turns out to be cost-effective to the customers, I think, you know, it's something worth discussing definitely.

I don't know if that answers your question.

CHAIRMAN FAY: No, it does. And this might be a question for Mark or you --

MR. BAEZ: Sure.

CHAIRMAN FAY: -- but I wasn't here, but it's my understanding that at some point there was some federal funding incorporated in the adoption of smart meters on homes it, is that something that --

MR. BAEZ: I know that there was, and I don't have the specific details. Maybe, Mark, do you recall anything specifically? Or maybe if there is any of the other folks in the room that might be able to lend some detail to it. I know that there was. And it was, you know, back in the tens.

MR. FUTRELL: Right. Yeah, Mr. Chairman, it was around 2010. It was in the Recovery Act back then, there was funding available for a grant, and the utility made application and received funding to offset some of the cost of a smart meter change-out program, where traditional meters were replaced with the advanced metering infrastructure, AMI technology, and so some of those costs of that change-out were much offset by the grant --

CHAIRMAN FAY: Okay.

MR. FUTRELL: -- and that was reflected in a rate case at that time.

CHAIRMAN FAY: Okay. Great.

And then I know, as stated, there is a lot of programs, and some of them, the benefits are tax related, and some of them are built into a grant by their structure, and some utilities can apply for some, or municipalities or operators can apply for it.

I guess if we are not looking at some sort of formal action as it relates to what we could do for other agencies that might be involved in this process, just from a regulatory perspective, I would want to make sure -- like, the smart meters, I guess are a good example. And I don't know the details because I wasn't here for when that happened. But if there is a situation where our regulatory structure is disincentivizing anybody to go out and get federal funding -- and, you know, there might be strings attached to the funding. It might not be as good as it sounds on the front end, and so I recognize that we would have to look at that and compare that. But if there is, then I think that's something maybe we could look at.

And so I don't -- I am not asking you to come back in some formal manner with another report, or anything like that, because I know the implementation for these things is very convoluted, and we don't have a bunch of grant writers on our staff, and it's not something necessarily that we would be looking at. But I do just want to make sure, if there is some barrier in place, that, for example, like the smart meters, there is some situation with grid hardening, where the federal government is allocating a significant amount of money towards something, and that would, by definition, for lack of a better term, offset what's out there, then I think that's something that we at least might want to look at and consider from a Commission's perspective on our end.

So that's all I have for that. I am not asking you to draft something and bring it back formally to us. I just want to make sure we don't, in hindsight, say, man, if we just had, from a regulatory perspective, had looked at or considered this in a different way, we might be like state X who went out and their utilities accessed a lot of funding that essentially gave relief to the customer.

MR. BAEZ: On staff's behalf, I think that we will -- we will redouble our efforts to reach out to the utilities and have a conversation with them, and maybe for us to get a better idea of what goes into the decision-making in terms of either pursuing or not pursuing. And I am sure that they are -- you know, if it's not happening out of hand, there may be good reasons that -- that some of us aren't aware of.

I think the conversation it merits -- it definitely merits the conversation, it -- it may merit -- you know, there may be some good information to pass on. And whatever will help you all understand how this works, the better. Maybe a second visit in the offing, a future -- a different discussion of the hows and the nuts and bolts of how that works would be beneficial to you also. That's all part of what we would discuss with the utilities and see what a good way to approach it is.

CHAIRMAN FAY: Okay. Great. I think that would be helpful.

And if that's responsive to what you were thinking, Commissioner La Rosa, if you want to add anything, that satisfies what I think we should consider.

COMMISSIONER LA ROSA: Yeah, thank you, Chairman. And is it does, right? I am not looking for a new report or anything of that means. That's not it.

I think you made a great point, is that there is sometimes strings attached, right? So something may look good but all of a sudden you start digging into the details and it's not as good as you thought, or maybe it's going to hinder something coming down the road that could maybe convolute or hurt something that we are doing here in Florida.

But I am interested to kind of get more details, and certainly even get company's perspective of it of why they do something and why they don't. You know, at the end of the day, I just want to make sure that, you know, ratepayers in the state of Florida are paying the rates that we oversee, and at the end of the day, they are also paying taxes. And they are the ones that funded this infrastructure bipartisan, or whatever it wants to call this, and I just want to make sure that they are not paying twice, right? And we do everything we can to make sure that their money goes as far as it possibly can. And we may have a very, very small slender role in that, but I want to make sure we fully utilize it. So that's kind of what's going through my thought process.

CHAIRMAN FAY: Thank you.

Commissioner Passidomo, I just want to make sure I don't forget something. Sometimes I forget on the left when I am looking over here, so I just want to make sure I didn't exclude you.

Okay. With that, Commissioners, I want to make sure we don't have any other comments. I do -- I just have maybe one or two quick questions on some specific comments in the report.

On -- and this would be for you, Mr. Vogel, on page five of your summary. There as provision in there for clean energy and efficiency incentives for individuals. I am guessing when I read, that means that there would be some incentives for what's referred to, I guess, as consumer solar, or rooftop solar on that end, not seeing sort of a lot of detail on this summary of this part. Do we know, is that essentially going to be some financial mechanism that incentivizes people to use rooftop solar?

MR. VOGEL: Yes. It's basically an extension of the former rooftop solar tax credit. I believe in 2005, with the original Energy Policy Act, they gave a 30 percent credit, or 25, 30 percent credit for, you know, solar that you put on your roof. And they basically extended that every 5, 10 years. I believe in 20 -- 2021, it rolled off the books, and they extended it another year, and then they came back with this act.

CHAIRMAN FAY: Okay. This is nothing new. It's just a continuation of what --

MR. VOGEL: Yes. Most of what it is is just extensions or expansions of former credits.

CHAIRMAN FAY: Okay. Great.

And then on the next page, there is a bullet at the end of the section on the top there that says, the IRC Section 30C may impact future installation of infrastructure by Florida utilities.

Do you have any general idea maybe what -- what that would look like? I just -- I know we've got some pilots in place, and I know we've got the Volkswagen funding that the State is implementing for EV charging stations, and a roadmap, and we have all of this stuff that's out there for EVs. Is this something we think would incentivize or does it sort of make it even more complicated of an analysis?

MR. VOGEL: It would incentivize. The EV infrastructure market is kind of murky, who's building, who's not. This was put in place to absolutely incentivize more EV infrastructure.

I know in Florida, we've already taken steps to do that. And we have the EV master plan and things with the Department of Transportation that we have already done. This would only expand that.

CHAIRMAN FAY: Okay.

MR. VOGEL: It would give more credits to the installations, and there is a lot of qualifiers on this location, and things like that, but it's meant to incentivize the EV infrastructure.

CHAIRMAN FAY: Okay. Great.

And then just maybe one or two more. I will go to you, Mr. Hardy, because I know you are feeling left out here.

So when we look at the structure of some of these, and who can apply, is that -- I think you did a good job with these tables here of breaking out who potentially would be involved in this. But is this something that, I guess, notice to these different providers is provided by the federal government? Or do you -- I mean, do you have any idea if they put out further -- like, in your research look at these, do they -- are they continuing to put out further information so, you know, at least maybe a municipality that is very small, and thinks that they could access some of this but don't know enough about it, are they providing any guidance or direction, or is it more just kind of general information at this point, and it's kind of a free for all?

MR. HARDY: Yeah. So they are providing very ambiguous information, even from the beginning stages when they are getting these request for informations or doing these webinars, it's very ambiguous about who specifically they want. I mean, just states, local governments, municipalities.

And even when it goes into the funding opportunity announcements, announcing the deadlines for different stages of that funding opportunity, it's still very ambiguous on, like, who's, like, specifically applies. There is a few circumstances where some of them do address it, but for the most part, it is ambiguous.

CHAIRMAN FAY: Okay. And do you have conversations just -- and I know this is just a general report, but do you have conversations with, for example, like, NARUC or some of these national agencies, do you know if they are putting out information that provides direction on these things?

MR. HARDY: At this time, we haven't had contact regarding the updates of those entities. If you would like, we would be more than happy to try to have discissions with them.

CHAIRMAN FAY: Okay. Great. I just -- I

think to your point, since it is so ambiguous, and when these federal implementation, especially with all the funding comes out, sometimes it's just unclear maybe what we could be doing as a state, and that's what I was hoping maybe some of our partners could provide, you know, better guidance as to what we need.

My last question for you is I know there is some information in here about municipal support for cybersecurity grant and technology. It's page 20 of your breakdown here. And I know cyber is always a big issue, and there is a lot of conversations behind the scenes from the federal government and our utilities, making sure we are protected. But when I look at municipal -- this is a municipal opportunity for some funding. I know there is conversations about mutual cyber assistance, and these smaller entities having people come in and help, or maybe provide assistance.

Do you know if we could provide maybe the summary, or if there is information that we could provide to FMEA, like, the mutual -- the municipality association so they have this information, and they potentially would know? And maybe the organization already has it, like maybe they have already done an analysis like you have done here. But I was just thinking maybe we would want to submit this information to them, or forward it on to them.

So did you have any contact with the, outside the IOU discussion about municipalities or co-ops, which are -- we have very little regulation over it, but we could at least provide that information to?

MR. HARDY: That is correct. We mainly talked with the electric IOUs regarding the different funding opportunities, but we -- at this time, we haven't contact the association, like, rural and municipality utilities, but we would be more than happy to reach out regarding this section and providing this to them.

CHAIRMAN FAY: Okay. Great.

Yeah, I think you guys did a good job on breaking some of this down since there is so much unknown about where these funds will go and how they will be spent, so I appreciate that.

With that, that's all I have for questions. I wanted to make sure my colleagues didn't have anything else before we move on.

I do appreciate both you and your teams working on this. I know any time there is a large federal, either a bill or appropriation, it can be challenging to decipher what's included in there, so I appreciate all the work and time that you have done.

And, Commissioners, this is an update for us, so we don't have a report for approval or anything. But thank you again for your time. Appreciate it.

All right. With that, we will move next to the General; Counsel's report, Mr. Hetrick.

MR. HETRICK: Mr. Chair, just I would like to take a real quick moment to welcome two new attorneys to the Commission, including one not so new attorney who joined us this past September. My apologies to her for not introducing her at the last IA.

Susan Sapoznikoff back here, she can stand, comes to us in Samantha Cibula's section, from AHCA. That's the Agency for Health Care Administration. She has 30 years of experience as a regulatory lawyer in administrative law, with much litigation and appellate experience and expertise. She's a quick study. And if you mention her name to Samantha, you will see Samantha always crack a quick smile, which means that Susan is fitting in seamlessly and already contributing in a big way and doing excellent work. So welcome, Susan, to the Commission.

The other lawyer who joined us a few weeks ago is Major Thompson in Jennifer Crawford's section. Major Thompson.

Major comes to us with eight years of litigation experience, including experience at the First District Court of Appeal, the State Attorney's Office, a private law firm, and most recently the Department of Health.

Major is an excellent writer and a commensurate team player and mentor, and we really look forward to him flourishing here at GCL. So welcome, Major, to the Commission.

That's my report, Mr. Chair.

CHAIRMAN FAY: Great. Thank you, Mr. Hetrick, for that update.

I -- you just continually strive to get good people, and I appreciate your commitment to that and the agency.

I start to think of you more as maybe like a Mike Morvel, in that, you know, we seem to be getting a lot of four and five star recruits in there, and not as much as maybe a UF or Miami, you know, from our perspective. But I appreciate the commitment to that, because you just continue to seem to bring in really talented lawyers, and we appreciate that from a Commission perspective.

MR. HETRICK: Thank you, Mr. Chair.

CHAIRMAN FAY: With that, Commissioners, we will move on to the Executive Director report.

Mr. Baez, we already picked on up today.

MR. BAEZ: Yes, I have been picked on enough, I think. No.

I don't have an official report. I do have a point of personal privilege. I just wanted to wish a happy birthday to my youngest Victoria, who has a birthday today. And if she's listening, she should be studying for semester finals, you know, prayers up. Anyway, that's -- that's all I had.

I also wanted to say we won't discuss transfer windows in terms of these four and five star recruits, but that's all. I will leave it there.

CHAIRMAN FAY: Thank you. I thought you were a dolphins fan no, a UM fan.

MR. BARRETT: Yeah, I am a Dolphins fan. I'm UM fan too, just, you know, not a whole lot of reason to advertise that nowadays.

CHAIRMAN FAY: Fair enough. I will second that motion.

MR. BAEZ: But when things are going right, you are going to hear -- you are going to get tired of hearing --

CHAIRMAN FAY: This will come back to me for sure --

MR. BAEZ: -- I promise you.

CHAIRMAN FAY: -- I imagine that.

All right. With that, any questions for our Executive Director?

I wanted to take up any other matters, Commissioners, that we might potentially have.

Commissioner Graham, you are recognized.

COMMISSIONER GRAHAM: Thank you, Mr. Chairman.

I guess my question is more towards staff. A couple months ago, we talked about water transfer -- water system transfers and positive acquisition adjustments, and we were going to send that to a workshop. I am just kind of curious where all that sits right now.

MR. BAEZ: Thanks for the question, Commissioner.

Staff -- legal -- well, legal -- both sides of the house have met two or three times for an extended period of time to try and get a -- get a right size scope of what the discussion is. And as it stands right now, we are looking at two different tracks with, I would say a common focus but different -- different approach, because they require different -- different measures.

The one is the acquisition adjustment, which I think technical staff and the legal staff are working on draft language as we speak to try and encapsulate some of the possible changes and revisions that we might want to offer to the Commission to take to rule-making. That's on a track -- I think we are getting draft language together now, so that's on a January, February track to -- I mean, I am at a loss as to how the dockets open and the rule-making dockets, but that should be in the offing soon.

The second part is a much broader look at how we are regulating water generally. I am going to misquote Andrew Maurey here, so my apologies. But if you look at -- if you look at the -- you know, one thing that comes out of all the conversation is the notion of troubled utilities. And so the conversation has to start with what -- who are our troubled utilities? What's the nature of them?

And, by and large, they are not getting the investment required.

And here's where I get to misquote Andrew. Out of those companies -- now, you apply the standard, whatever objective standard to define them as troubled utility, you are underinvested -- underfunded, rather, I want to say, like, I think the number was 80 percent. It's a staggering number already have, what I will loosely term, you know, wealthy parents. They have well-funded owners, if you will.

And so that question is a little bit different than an acquisition adjustment. It's not -- an acquisition adjustment conversation isn't really relevant to that. And so the question that we've kind of come up with, or certainly I have thought to pose to all of us that are talking about it, is how do we -- how do we get these owners to make a decision in favor of the investment that they have in Florida?

And that takes a whole different kind of conversation, right? And one that I think the time has come, you know, it's been a long time coming. I think, you know, you all's encouragement and interest in trying to be part of the solution to that problem has given us enough empowerment to, and courage, to really think big, if you will, or think different.

And so that's -- that's the much bigger, meatier track that we are also pursuing. And hopefully we are -- we can workshop that in the first month or two of the new year.

The conversations are good. You have got a lot of smart people sitting at the table. I am very lucky for that. And I certainly walk out learning a lot. And there are a lot of folks that have thought about this too, and are now just getting the opportunity to say, hey, why not try this? Or why not try that? So I think you should be encouraged with the work that the staff is doing.

And a direct answer to your question, I think the key dates are in the coming month, and then January, February, first quarter is where we will start ruling rolling out workshops, and draft languages, and things of that sort.

COMMISSIONER GRAHAM: Well, that first path you mentioned is probably more of where my question -- answers more of my question. But the second path, I guess, curiosity in my head is, short of them coming in for a rate case, or short of them running into problems with DEP, how do you have them enhance their system?

MR. BAEZ: That's the question we are trying to answer. And I think part of it is how do we -- how do we modify our rules? How do we -- how do we get the utility -- again, the remote utility owner, right? So the person that's -- the wealthy parent, I refer to them, that's -- that's sort of may have diverse -- maybe diversified in their investment, and how are we -- how do we better their -- how do we better our chances as a state to have them make a decision to invest in an investment that they've already got in Florida rather than somewhere else?

COMMISSIONER GRAHAM: Are you not -- are you not opening a can of worms by doing this?

MR. BAEZ: How do you mean?

COMMISSIONER GRAHAM: I mean, you are in there -- right now, the law right now is you got to meet a potable water standard. And kind of where we are going to, just as long you are meeting the potable water standard, they are not in our purview and we don't touch them.

And so how do you get into their business and make them, you know, do better? And there is nothing -- you have no mechanism to make them do better? Or do you even want to have that mechanism to make them do better, because they are still providing potable water?

MR. BARRETT: I think --

COMMISSIONER GRAHAM: It may not be as clean as you want. It may not smell as pretty as you want. You know, it may have all of these secondary water quality standards, but unless they come in for a rate case, then I don't see how you get in there.

MR. BAEZ: Not -- not -- we are not dealing with -- I mean, I understand the premise. They are meeting standards, and -- and that's all they have to do. And I think that what -- what I am trying to refer to is, you assume that they are meeting standards, because if they are not, then that's -- that's a whole other conversation. That's a whole other realm of regulation that they are toying with.

What I am -- what I am talking about is how do they -- of the -- of the investment that we would like to see in order to better the quality of the product, to better the function of the utilities, because if they are -- if all we are doing is we are going to require meeting some -- some DEP standard, if that's where it begins and ends, then we can't be complaining about troubled utilities, or an underfunded utility, or a utility that's not -- that doesn't have the proper -- the proper investment.

If the only thing that determines a proper investment is if they meet minimum standards, then maybe there is not that much of a conversation to have, and you are right. And all -- and this is what we are talking about.

COMMISSIONER GRAHAM: I don't need to have this workshop here.

MR. BAEZ: No. No. I appreciate that.

COMMISSIONER GRAHAM: I was just kind of curious where this is going. But I am glad to hear that staff is it working on it and we are moving forward.

MR. BAEZ: Yes.

COMMISSIONER GRAHAM: Thank you.

CHAIRMAN FAY: Great. Sure. Absolutely.

All right. Commissioners, with that, seeing no other business, I did want to recognize -- I think he thought he got away from being embarrassed, Mr. Schultz over here, who is in our

Clerk's Office, our Employee of the Month. So you want to ask him, do you want to be in the IA for this meeting? The response is, I am already in the IA for this meeting. And so anyway, I just want to recognize him as our Employee of the Month.

Brian has done an amazing job, he's a graduate of FSU, and has taken on a number of different roles, but probably the most significant being his responsibilities now running the Granicus system during the Commission meetings, which at times can be very challenging and difficult.

So with that, we are glad to have you. Not just because you are an FSU alumni. We are glad to have you and your skill set on this team. We appreciate everything you do, and I know my colleagues share that, and so we -- we would recognize you as our Employee of the Month, and I'm sorry you thought you were going to get away with me not mentioning that.

But with that, Commissioners, seeing no other business, this adjourns our Internal Affairs meeting. At 11:15, we will begin the prehearing meeting that we have scheduled next on our calendar.

Thank you.

(Proceedings concluded.)

CERTIFICATE OF REPORTER

STATE OF FLORIDA)
COUNTY OF LEON)

I, DEBRA KRICK, Court Reporter, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a true transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED this 16th day of December, 2022.

DEBRA R. KRICK
NOTARY PUBLIC
COMMISSION #HH31926
EXPIRES AUGUST 13, 2024