



**Via Electronic Mail**

August 8, 2014

Kathryn Cowdery  
Office of the General Counsel  
Public Service Commission  
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Re: Comments on U.S. Environmental Protection Agency Carbon Rules

Dear Ms. Cowdery,

Thank you for accepting these comments on behalf of Earthjustice regarding the United States Environmental Protection Agency (EPA) proposed carbon rules. Earthjustice appreciates the opportunity to comment on these important rules as Florida charts a path forward.

Climate change is one the greatest threats that the planet faces in the 21st century. How the United States addresses this threat will determine what the planet will look like at the end of the century. Florida, more than any other state, faces the gravest threats from climate change. To address this threat, EPA is proposing to reduce carbon dioxide emissions nationwide from existing fossil fuel-fired plants. 79 Fed. Reg. 34,830 (June 18, 2014). Under the proposed rules, Florida will have to reduce its carbon emission rate from 1,238 lbs/MWh to 740 lbs/MWh. 79 Fed. Reg. at 34,895. For Florida Power & Light, achieving these goals will not require any work. Dr. Steven Sim, Senior Manager of Integrated Resource Planning in the Resource Assessment & Planning Department of Florida Power & Light Company (FPL) recently testified during the FEECA hearing that FPL, without any additional steps, will have carbon emissions within 1% of EPA's interim goal by 2020, and will have a carbon emissions rate well under the goal for Florida by 2030. *See* Testimony of Dr. Steven R. Sim, Docket 130199-EI (Aug. 21, 2014), available at [http://psc-fl.granicus.com/MediaPlayer.php?view\\_id=2&clip\\_id=1233&meta\\_id=52218](http://psc-fl.granicus.com/MediaPlayer.php?view_id=2&clip_id=1233&meta_id=52218) (testimony at 3:03). In other words, this proposed rule will have *absolutely no burden* on FPL, as FPL will reach the goal anyway, without any changes to its plan.

The Florida Public Service Commission, given the dire threat presented by climate change to this state, must do better. Rather than spurring the immediate and significant action that is achievable and needed, the PSC must set stronger and faster pollution reduction targets, as the proposed targets give Florida 15 years to achieve reductions in carbon pollution from 2005 levels that we are already half way to achieving. We urge that reductions of 35 to 40 percent from the energy sector below 2005 levels be required by 2020, and greater reductions by 2030. The Florida Public Service Commission must do better, because EPA's carbon proposal would have little to no further impact on generation of electricity from the most carbon-intensive form of power—coal—because states, including Florida, are being credited with reducing carbon pollution from coal plants that utilities have already made the business decision to retire.

Florida utilities, other than FPL, are likely to be strongly affected by EPA's proposed rules. In order to comply with the proposed rule, the other utilities are largely going to need to retire their coal-fired power plants. Gulf Power will especially be affected, with such a large dependence on coal-fired generation at its Crist and Lansing Smith power plants. The cheapest way to prepare for the future and for the coming solar revolution when photovoltaic solar becomes cost effective is to invest in energy efficiency right now. Doing so will allow Florida's utilities to manage the transition to a lower carbon future in compliance with EPA's rules.

Utilities in Florida, in preparation for this transition, also need to be doing more to invest in solar power now. A diverse energy generation portfolio is widely recognized as desirable to increase reliability and to avoid price shocks from increases in fuel prices. As coal is phased out from the energy portfolios of the utilities in this State, investments in solar energy should be increased to maintain a diverse energy generation portfolio, rather than solely relying on natural gas that is subject to price shocks. Unlike fuel-driven sources, photovoltaic solar is not subject to fuel embargoes or price fluctuations. Similarly, customer-owned photovoltaic solar is not subject to disruption from specific events, such as terrorist attacks or failure at a single point. Solar is not strained during heat waves, which tend to have sunnier days and thus would have more power generated by solar panels.

Energy efficiency, as recognized by EPA, can have a large impact on helping to ease this transition to a low-carbon power generation future. Currently before the Commission are the FEECA proceedings, in which the utilities propose to cut their energy savings goals by 87-99%. The Commission should take this opportunity to set higher energy efficiency goals for the State of Florida, as proposed by the Southern Alliance for Clean Energy. Increased energy efficiency will decrease the state's reliance on carbon-fueled electric generating units, easing the transition to a lower-carbon economy.

Florida needs to start preparing *now* for these carbon rules, and for the coming solar revolution with an integrated, thoughtful, plan. If Florida fails to do so, all Floridians will be vulnerable to the price shocks that will result from a plan that *solely* relies on increased generation from the single fuel source of natural gas, and would see electricity rates skyrocket with the increased price of natural gas. In such a scenario, all Floridians will lose.

If you have any questions or concerns, or would like to discuss this matter further, please do not hesitate to contact me.

Sincerely,



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