

ADDITIONAL MATERIAL REGULAR MEETING

MARCH 9, 2021

SUBMITTED AT THE REQUEST OF

MAYOR STEVE GELLER

From: Roulhac, J <<u>J.Roulhac@fpl.com</u>>

Sent: Friday, March 5, 2021 10:19 AM

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Subject: RE: FLORIDA POWER & LIGHT COMPANY'S RESPONSE RE MARCH 9, 2021 COMMISSION MEETING AGENDA ITEM NO. 69 - FEECA RULEMAKING RESOLUTION

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Dear Broward County Mayor Geller and Commissioners:

I am sending you this letter regarding the proposed resolution on the Florida Energy Efficiency and Conservation Act (FEECA) that the commission plans to consider during its March 9th meeting. Florida Power & Light Company, as well as other organizations and residents throughout the state, participated in a Florida Public Service Commission (FPSC) workshop to discuss issues related to the setting of energy conservation goals for utilities under FEECA. The company does not support the commission's resolution and requests that the commission reject it for several reasons that I have outlined below in this letter.

It's important to understand that all FPL customers pay for energy efficiency programs as part of their monthly electric bill, whether or not they participate in a program. That's why FPL works to ensure energy efficiency programs are cost-effective for all customers. This means that the programs must provide real energy savings without unnecessarily increasing electric rates. This is accomplished through the methods used by FPL and the FPSC, which includes the rate impact measure (RIM) test. In fact, since 2000, the RIM test approach has been used by the company to plan its entire system, including power generation and energy efficiency programs. To further ensure fairness to all customers, FPSC rules also require that utilities not pay incentives for energy efficiency measures that customers would adopt on their own without utility assistance. FPL and the FPSC uses a two-year payback threshold to determine whether utility-provided incentives are appropriate.

FPL has more than 40 years of experience with providing cost-effective programs to its customers; however, utility-funded energy efficiency has become less cost-effective over the last decade as FPL has reduced its cost to generate power through more efficient power plants, lower fuel costs, smart grid technology and reduced operational costs. Today, FPL's power plant fleet, which includes more than 30 solar energy plants, is one of the cleanest and most efficient in the country. Other factors beyond the utility industry have also impacted the declining benefits of energy efficiency programs. From high-efficiency lighting, stricter building codes and ENERGY STAR appliances, the state and nation have made significant strides in recent years. These energy efficiency codes and standards have produced a massive amount of energy efficiency to utility customers, thus minimizing or eliminating several utility-funded energy efficiency programs.

Energy efficiency should be done efficiently. At FPL, we work hard every day to deliver America's best energy value – electricity that is clean, reliable and affordable now and for future generations. Currently, FPL bills are approximately 30% below the national average. This proposal would actually increase the cost of electricity for

customers. And, fundamentally, it's regressive – lower income customers end up subsidizing giveaway programs that can be accomplished without costly subsidies and higher bills.

FPL continues to support cost-effective conservation programs that benefit all customers. We have long believed that empowering our customers to make energy-efficient choices that are right for them is the smartest approach. FPL offers tools and information to help customers make informed energy choices so they can make their bills even lower. We have provided education through more than 4 million residential Home Energy Surveys and Business Energy Evaluations to help customers be more energy efficient. We also encourage our customers to use the FPL Energy Analyzer online to learn about their energy consumption and find ways to implement efficiency improvements in their own homes. I hope the Broward County Commission will join FPL to promote these and other free resources to help its constituents learn more about energy efficiency. More information is available at FPL.com/EnergyAnalyzer.

We would appreciate this response be included/noted in the record. Thank you for your consideration.

Sincerely, Juliet M. Roulhac

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Director - Corporate External Affairs

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