

RESOLUTION NO. 2021-

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF BROWARD COUNTY, FLORIDA, ENCOURAGING THE FLORIDA PUBLIC SERVICE COMMISSION ("PSC") TO EXPAND THE SCOPE OF ITS CURRENT RULEMAKING TO INCLUDE NATIONAL BEST PRACTICES AND ELIMINATE TWO EXISTING EVALUATION METHODS WHEN SETTING ENERGY CONSERVATION GOALS FOR UTILITIES; PROVIDING FOR TRANSMITTAL TO THE CHAIR AND CLERK OF THE PSC AND FILING IN THE RELEVANT PSC DOCKET; AND PROVIDING FOR SEVERABILITY AND AN EFFECTIVE DATE.

WHEREAS, the Broward County Climate Change Action Plan aims for a countywide reduction of greenhouse gas ("GHG") emissions of eighty percent (80%) below 2005 levels by the year 2050;

WHEREAS, energy use within the built environment, consisting of residential and commercial buildings, is a significant contributor to the GHG emissions fueling the climate crisis;

WHEREAS, energy conservation is a low-cost resource that helps residential and commercial building owners use less energy, save money on bills, and reduce GHG emissions, and provides additional economic and societal benefits, including local job creation and economic growth;

WHEREAS, Broward County has undertaken efforts to reduce its electricity usage, most notably through the use of energy saving performance contracts that focus on building and operational upgrades and the use of energy-efficient devices and products;

WHEREAS, energy conservation and efficiency programs that promote behavioral and operational changes by residents and building owners can significantly reduce electricity demand from the built environment;

WHEREAS, by reducing electricity demand, energy conservation reduces the need for the construction of new power plants and the operation of existing fossil fuel plants, thereby lowering carbon pollution and other air pollutants harmful to human health;

WHEREAS, the positive efforts undertaken by utilities and building owners in Florida to expand renewable energy installations would be even more effective in meeting electricity demand if that demand were first reduced through energy conservation;

WHEREAS low- to moderate-income residents spend a disproportionately higher percentage of their income on electricity bills;

WHEREAS, as temperatures increase and extreme heat waves become more common, the struggle of low- and moderate-income households to afford electricity will further strain household budgets or force residents to endure heat and humidity without air conditioning, resulting in a tremendous and inequitable public health consequence;

WHEREAS, the Florida Legislature passed the Florida Energy Efficiency and Conservation Act ("FEECA") in 1980 to reduce peak electricity demand and energy consumption;

WHEREAS, the Florida Legislature amended FEECA in 2008 to include an emphasis on cost-effective energy conservation measures;

WHEREAS, FEECA requires that the Florida Public Service Commission ("PSC") establish numeric energy conservation goals for Florida's largest utilities at least every five (5) years;

WHEREAS, in turn, the utilities are required to develop cost-effective demand-side management plans that meet those goals and submit the plans to the PSC for approval;

WHEREAS, according to the American Council on an Energy-Efficient Economy ("ACEEE") and based on 2018 and 2019 annual electricity sales, Florida's largest utilities

have the third-worst performance in the southeastern United States (consisting of Florida, Alabama, Georgia, Mississippi, North Carolina, South Carolina, and Tennessee) in delivering energy conservation savings (measured as energy saved as a percentage of annual kilowatt sales to consumers), with an energy conservation savings rate of 0.17%;

WHEREAS, for that same period, ACEEE reported that the average national energy conservation savings rate among utilities was 1.03%, more than six (6) times higher than in Florida, and the average rate among utilities in the southeastern United States was 0.47%, nearly three (3) times higher than in Florida;

WHEREAS, during the 2019 FEECA goal-setting proceeding, several large utilities proposed energy savings goals of zero or near zero;

WHEREAS, the Board of County Commissioners of Broward County adopted Resolution No. 2019-377 in August 2019, urging the PSC to adopt meaningful numeric conservation goals for utilities; specifically, an annual goal for Florida's largest utilities equal to or greater than the average energy savings rate for the remainder of the southeastern United States;

WHEREAS, the PSC rejected the utility proposals in its 2019 FEECA proceeding and maintained essentially the same numeric conservation goals for utilities as set during the 2014 FEECA proceeding, which were themselves well below the regional and national averages;

WHEREAS, the PSC uses two primary evaluation methods that yield low proposed goals, the Rate Impact Measure ("RIM") test and the two-year payback screen;

WHEREAS, the RIM test devalues Florida's energy efficiency programs by treating consumer savings as a cost to utilities, rather than a benefit to consumers and the utility system as a whole;

WHEREAS, the two-year payback screen excludes incentives for any measures that have a payback of two (2) years or less on the assumption that consumers will adopt them on their own, thereby making such measures out of reach for low- and moderate-income households that are most likely to benefit from them;

WHEREAS, Florida is the only state in the country that still uses the RIM test as its primary cost-effectiveness test and that makes a blanket assumption that any measures with a payback of two years or less will be inevitably adopted by consumers;

WHEREAS, the PSC has established Docket Number 20200181 to consider changes to the process by which conservation goals are established and consumer programs are approved in the future;

WHEREAS, this rulemaking affords the PSC an opportunity to modernize its FEECA rules to end its reliance on outdated evaluation methods, establish more ambitious conservation goals and programs, and reduce the energy burdens of low- to moderate-income Floridians; and

WHEREAS, reforming FEECA rules to incorporate national best practices will lead to more robust energy efficiency and conservation programs and options for residential and commercial consumers, thereby providing economic, environmental, and public health benefits, NOW, THEREFORE,

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF BROWARD COUNTY, FLORIDA:

Section 1. Broward County urges the PSC to expand the scope of the current FEECA rulemaking to provide for adoption of national best practices that modernize how energy conservation goals for utilities are set in Florida.

Section 2. More specifically, Broward County urges the PSC to replace the Rate Impact Measurement test and two-year payback screen with the types of modern, best-practice evaluation methods used by other states.

Section 3. The County Administrator shall distribute copies of this Resolution to the Chair and Clerk of the PSC, and the County Attorney's Office shall file this Resolution as a comment in PSC Docket No. 20200181 relating to Florida Administrative Code Rule 25-17.0021, Goals for Electric Utilities.

Section 4. Severability.

If any portion of this Resolution is determined by any court to be invalid, the invalid portion will be stricken, and such striking will not affect the validity of the remainder of this Resolution. If any court determines that this Resolution, in whole or in part, cannot be legally applied to any individual, group, entity, property, or circumstance, such determination will not affect the applicability of this Resolution to any other individual, group, entity, property, or circumstance.

