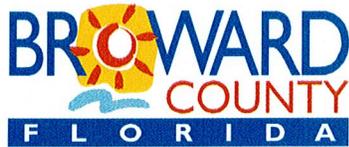


**ADDITIONAL MATERIAL
REGULAR MEETING**

MARCH 9, 2021

**SUBMITTED AT THE REQUEST OF
ENVIRONMENTAL PROTECTION
AND GROWTH MANAGEMENT
DEPARTMENT**



Environmental Protection and Growth Management Department
115 S. Andrews Avenue, Room 329 • Fort Lauderdale, Florida 33301 • 954-357-6612 • FAX 954-357-8655

TO: Mayor and Members of the Board of County Commissioners

THRU: Bertha Henry, County Administrator

FROM: Dr. Jennifer L. Jurado, Chief Resilience Officer and Deputy Director
Environmental Protection and Growth Management Department

DATE: March 2, 2021

RE: FEECA Rule Making Resolution
March 9, 2021 Board Meeting – **Agenda Item 69**

Please replace Exhibit 1 for the above referenced Agenda Item 69 – FEECA Rule Making Resolution. It has been amended to include the line numbering necessary as part of standard form for Board resolutions. This replacement Exhibit 1 is provided as additional material.

1 RESOLUTION NO. 2021-

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

19
20 BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF
21 BROWARD COUNTY, FLORIDA:

22
23
24

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

4
5 Section 2. More specifically, Broward County urges the PSC to replace the Rate
6 Impact Measurement test and two-year payback screen with the types of modern,
7 best-practice evaluation methods used by other states.

8
9 Section 3. The County Administrator shall distribute copies of this Resolution to
10 the Chair and Clerk of the PSC, and the County Attorney's Office shall file this Resolution
11 as a comment in PSC Docket No. 20200181 relating to Florida Administrative Code Rule
12 25-17.0021, Goals for Electric Utilities.

13
14 Section 4. Severability.

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

