



City of Coral Gables
CITY COMMISSION MEETING
May 11, 2021

ITEM TITLE:

Resolution. A Resolution of the City Commission encouraging the Florida Public Service Commission to reform decades-old economic screening practices in setting energy savings goals for Florida electric utilities to comport with national best practices in order to promote the smarter use of energy, through efficiency programs, to Florida’s commercial and residential customers.

BRIEF HISTORY:

The Florida Legislature passed the Florida Energy Efficiency and Conservation Act (“FEECA”) in 1980 to reduce peak electricity demand and energy consumption in the state. The Florida Public Service Commission (“PSC”) is statutorily required to establish conservation goals for FEECA utilities and review such goals every five years, at a minimum; in turn, the utilities are required to develop cost-effective demand-side management plans that meet those goals and submit them to the PSC for approval.

In the most recent conservation goal setting proceeding in 2019, several large utilities filed proposed energy savings goals of zero or near zero. The utilities’ proposed goals were established by relying on economic screens such as the Rate Impact Measure (“RIM”) test and the 2-year payback screen that no other state in the nation relies upon for setting goals.

This resolution is appropriate because the PSC has established a rulemaking docket to consider changes in the process by which conservation goals are set and customer programs are approved in the future. This rulemaking process affords the PSC the unique opportunity to modernize its FEECA rules to end its reliance on outdated economic screens and to increase the focus of conservation goals and programs to address energy savings opportunities at the utility system level and reduce the energy burdens of low to moderate income customers.

Energy efficiency measures constitute a low-cost resource that helps residential and commercial building owners use less energy, save money on bills, and reduce greenhouse gas emissions, while providing additional economic and societal benefits, including potential local job creation and economic growth. The 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. By reducing electricity demand, energy conservation reduces the need for the construction of new power plants and the operation of existing fossil fuel plants, not only lowering costs to customers but reducing greenhouse gas emissions, and air pollution that have a negative effect on public health.

This Resolution is consistent with the City’s track record for supporting ambitious clean energy goals. In Resolution No. 2017-160, the City Commission established a goal of 100-percent

clean, renewable energy in the City of Coral Gables, and supported the establishment of that goal in communities across the United States. Furthermore, in Resolution No. 2019-21, the City Commission encouraged the Florida Public Service Commission to set meaningful, impactful and ambitious energy efficiency goals and requirements for utilities under its authority.

Reforming goal setting and reforming customer programs to national best practices will generally lead to more robust energy efficiency programs offered to residential and commercial customers that will reduce energy waste and provide economic and environmental benefits.

ATTACHMENT(S):

1. Draft Resolution