



“Making Energy Efficiency and Renewable Energy Real for People”



2013 NASUCA Annual Meeting

Presentation given by: Patrick Sheehan, Office of Energy Director

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FLORIDA DEPARTMENT OF AGRICULTURE AND CONSUMER SERVICES

COMMISSIONER ADAM H. PUTNAM



Commissioner's Energy Priorities & Our Office

- ▶ The state of Florida should have a secure, reliable, and diverse supply of energy.
- ▶ In working towards Florida's energy policy, the Department of Agriculture and Consumer Services will:
 - Promote energy efficiency and conservation
 - Support investments in Florida's energy infrastructure
 - Foster the expansion of Florida's clean energy resources and new technologies
- ▶ *"What we need is an "all of the above" strategy. We need a strategy that will foster the development of all the options. We cannot be in the business of picking winners and losers in the race to explore renewable energy options. Our strategy must support research and development to explore all the options. Our strategy must rely on the market to determine what works and what does not."*
Commissioner Adam Putnam



Functions & Responsibilities



- ▶ Coordinate Federal & State energy programs & Administer Grants
- ▶ Produce Annual Energy Report
 - Baseline assessment of Florida's energy resources
 - Improvements for Energy Efficiency & Conservation
 - State Agency implementation of State Energy Policy
- ▶ Provide Analysis and Prepare Recommendations
 - Proposed Federal energy programs
 - Long range energy supply and demand scenarios (economic growth, renewable's development, alternative strategies – 5–10–20 years)



Responsibilities (Cont.)

- ▶ Promote and advocate for the development and use of renewable energy resources and energy efficiency technologies
- ▶ Promote energy efficiency and conservation measures in all energy use sectors
- ▶ Serve as State clearing house for all energy information (academia, public and private sectors)
- ▶ Provide assistance to other state agencies, counties, municipalities, and regional planning agencies to further and promote their energy planning activities

The Florida Efficiency and Conservation Act (FEECA)



- ▶ In 1980, the Florida Legislature enacted FEECA in order to accomplish three main objectives that overall aim to reduce the growth rates of electrical demand and energy consumption.
- ▶ Overtime, FEECA was amended to have five objectives that seek to:
 1. Control (in addition to reduce) the growth rates of peak demand and consumption of electricity
 2. Increase the overall efficiency and cost-effectiveness of electricity and natural gas production and use
 3. Encourage development of demand-side renewable energy systems
 4. Add greenhouse gases to the factors that could be considered in assessing the cost-effectiveness of FEECA programs
 5. Incorporate consideration of supply-side efficiency improvements

Source: Evaluation of Florida's Energy Efficiency and Conservation Act

FEECA Review



- ▶ The 2012 Florida Legislature directed the Florida Public Service Commission (FPSC), in consultation with the Florida Department of Agriculture and Consumer Services (FDACS) to conduct a review of whether or not FEECA remains in the public interest.

- ▶ The review was based on:
 - Cost to ratepayers
 - Incentives and disincentives associated with the provisions in FEECA
 - If the program creates a benefit without undue burden on the customer
 - The models and methods used to determine conservation goals.

Source: Evaluation of Florida's Energy Efficiency and Conservation Act

FEECA Review: Findings and Recommendations



- ▶ Within the limitations of the data available, the research team believes that **FEECA remains in the public interest for at least four reasons:**
 1. Cost to Ratepayers: FEECA appears to provide a positive net benefit to ratepayers. From 2001–2010, Florida utilities report having avoided 3.5% of their kilowatt hours (kWh) sales at a cost of approximately \$0.035 per kWh, and having reduced peak demand by approximately 10% at a cost of \$61 per kilowatt (kW).
 2. Incentives associated with FEECA: Alternative rate designs are currently used by several FEECA utilities on a limited basis to provide better signals to customers to reduce energy consumption.
 3. Program benefits without undue consumer burdens, including appropriate cost tests.
 4. Involvement of Utilities in Demand Side Management (DSM) Efforts: While there were differences in opinions as to how best to evaluate the cost-effectiveness of FEECA-approved programs and of strategies to meet FEECA objectives, no group recommended getting Florida utilities out of the DSM business altogether.

Florida *Energy Star* Appliance Rebate Program



- ▶ The Florida *Energy Star* Appliance Rebate program began April 16, 2010.
- ▶ Within 36 hours, consumers secured priority application numbers for \$17,505,100 of rebates.
- ▶ Florida consumers, in total, received 64,047 Rebates on approved purchased *Energy Star*:
 - Refrigerators (39%)
 - Dishwashers (30%)
 - Clothes Washers (26%)
 - Freezers, Room Air Conditioners, Gas tank-less water Heaters (5%)



Energy Star Economic Stimulus and Savings



▶ Economic Stimulus:

- Based on 64,047 appliances that were provided rebates, the amount of Economic Stimulus to the Florida economy is \$51 million which generated approximately \$3.6 million in tax revenues.

▶ Energy and Water Savings:

- Based on the energy and water savings calculator provided by the USDOE, FL Consumers are estimated to save:
 - 7,635,670 kWh per year on Electric Bills
 - 123,605,187 gallons of FL water each year



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