

Florida Energy & Climate Commission
Wednesday, July 22, 2009
1:00 p.m. – Until Completion
Conference Call

The Conference Call was called to order by James F. Murley, Chairman of the Florida Energy and Climate Commission at 1:10 p.m.

Roll Call.

Members Present:

James F. Murley, Chair
Kathy Baughman McLeod
John “JB” Clark
Howell L. Ferguson
Debra S. Harrison
Timothy Jackson
Christian Poindexter

Staff Present:

Jeremy Susac
Rob Vickers
Alexander Mack
Brenda Buchan
Kelley Smith
Matthew Stamatoff
Ben Stuart
Kim Hoffman
April Groover
Tony Morgan
Brittany Cummins

Chairman Murley called the meeting to order and then welcomed the Florida Energy and Climate Commission members and members of the public on the phone and public present at the Toni Jennings Room where staff conducted the call.

Jeremy Susac, Executive Director, presented additional agenda items to the Commission which included a discussion by the Commission on prehearing comments for the Florida Energy Efficiency and Conservation Act (FEECA) and

consideration of the Department of Energy's funding opportunity announcement for State Energy Assurance Capabilities.

Commissioner Poindexter moved to approve the July 22, 2009 agenda as modified, Commissioner Diaz seconded the motion.

Commissioner Harrison moved to approve the June 17, 2009 FECC Meeting Minutes, Commissioner Ferguson seconded the motion.

Lila Jaber, Chair of the Sustainability/Infrastructure Committee of WorkForce Florida, presented the WorkForce Florida Green Jobs Report to the Commission and answered questions. Mrs. Jaber thanked Commissioner Clark and Executive Director Jeremy Susac for their contributions to the report and expressed a desire for the Committee and Commission's continued cooperation. A copy of this report and presentation materials are available on the Commission's Web site.

At the conclusion of the report from Lila Jaber, Commissioner Clark urged both entities to be aggressive in search for federal grants to fuel the increased definition of green jobs. Commissioner Clark added that the discussion about the sustainability of any jobs newly classified as green was equally important, given the fact that Florida's unemployment rate reached 10.6 percent in June, its highest level in 34 years and exceeding the national jobless rate of 9.5 percent.

Due to technical difficulties and time constraints, Greg DeAngelo of the Florida Department of Environmental Protection was not able to give his presentation to the Commission on Cap and Trade development in Florida. The Commission requests to hear this presentation at the next FECC conference call.

John Wilson, Research Director of the Southern Alliance for Clean Energy, gave a presentation on the Florida Energy and Conservation Act (FEECA) and answered questions. The Southern Alliance for Clean Energy is one of the intervenors in the PSC FEECA proceeding and has filed testimony. Presentation materials are available on the Commission's Web site.

At the request of Commissioner Baughman McLeod, John Wilson provided a brief history of Ratepayer Impact Measure (RIM) test measures.

Terry Deason, a special consultant for Radey Thomas Yon & Clark representing Florida electric utilities subject to FEECA, gave a presentation on the Florida Energy and Conversation Act and answered questions. Presentation materials are available on the Commission's Web site.

Commission Poindexter asked Mr. Deason to explain how the PSC approaches the FEECA proceedings. Mr. Deason responded that the Commission has emphasized the need for diversity to meet the energy needs of Florida's growing population. Conservation and energy efficiency act to mitigate the growth of energy consumption thereby contributing to energy diversity and reducing ratepayer exposure to high electric rates. The Commission encourages Florida's utilities and consumers to view energy conservation as an essential starting point for achieving energy security because conservation eliminates the use of fuel and defers the need for additional generating capacity. Florida's electric utilities must demonstrate that all cost-effective conservation opportunities have been exhausted in order to obtain a determination of need from the Commission for major new electric generating capacity.

In response to a series of questions by Commissioner Harrison, Terry Deason explained that the goal of FEECA is to reduce energy use in a cost effective manor. He elaborated that one of the prime directives for the PSC is to maintain reasonable rates and the FEECA utilities must balance their efforts to encourage energy efficiency with the need to minimize rate impacts to all consumers. In answer to other questions, he explained that, within this new FEECA filing, all FEECA utilities have proposed capturing the projected costs of green house gases in their cost assessment. In an explanation as to why his numbers differed from Mr. Wilson's, Mr. Deason went on to say that even though other states show higher cost savings, Florida has been working towards energy efficiency consistently for decades and is a leader in energy efficiency in both the Southeast and United States. As further clarification, he explained that the Florida Public Service Commission compiles a ten year site plan every year, where the utilities identify the amount of electric generation available, and estimate the amount of energy consumers will demand. Mr. Deason was asked how accurate the utilities estimates were and he said that since 1991 the utilities in the state have been very accurate. However, given the severe changes in the economy this past year it may have resulted in overestimated forecasts. In general the utilities estimates are conservative.

Commissioner Ferguson asked Mr. Deason if he had any recommendations for the statutorily required comments the Commission must file with the PSC. In response, Mr. Deason elaborated on the Commission's role in the FEECA proceedings pursuant to 366.82(5), Florida Statutes.

At the close of the two presentations on FEECA, Jeremy Susac recommended the Commission file prehearing statements "taking no position at this time" and filing post hearing briefs with formal positions after the five-day August hearing at the Florida Public Service Commission. Jeremy Susac provided an overview of the Commission's role in the FEECA proceedings pursuant to 366.82(5),

Florida Statutes. Mr. Susac interpreted this statute to mean the Commission is a party in the proceedings and should provide object comments relating to adopting goals, and that today's meeting is designed to gather facts for submitting an unbiased position to the Florida Public Service Commission. Per statute, the position should include an evaluation of utility load forecasts, including an assessment of alternative supply-side and demand-side resource options, an analysis of various policy options that can be implemented to achieve a least-cost strategy, including nonutility programs targeted at reducing and controlling the per capita use of electricity in the state, and an analysis of the impact of state and local building codes and appliance efficiency standards on the need for utility-sponsored conservation and energy efficiency measures and programs. This FECC's position should be filed as a post hearing brief.

Commissioner Harrison expressed dissatisfaction to not filing prehearing statements with positions to the Commission, and also expressed her desire to have the recommendations from the Florida Governor's Action Team on Energy and Climate Change Final Report on record for the FEECA proceedings.

Commissioner Poindexter moved to file the Florida Action Team Final Report and the list of stimulus projects with the Florida Public Service Commission in the FEECA proceeding through the appropriate mechanism. Commissioner Baughman McLeod seconded the motion.

Rob Vieira, a consultant for the Florida Building Commission, was not able to give his presentation to the Commission on the Florida Energy and Conversation Act due to time limitations. A copy of his presentation is still available on the Commission's Web site. The Commission requests to hear this presentation at the next FECC conference call, Wednesday, August 17th.

Under agenda item IX, Jeremy Susac updated the Commission on mechanisms for implementing the FECC approved American Recovery and Reinvestment Act Spending Plan.

Commissioner Harrison moved to authorize staff to submit an application to the Department of Energy for the State Energy Efficient Appliance Rebate Program as well as to authorize staff to initiate rulemaking in order to implement the program. Commissioner Baughman McLeod seconded the motion.

After a review of the Interim Spending Plan matrix by the Commission, Commissioner Baughman McLeod moved to authorize staff to initiate contracts for FECC approved programs in order to implement the American Recovery and Reinvestment Act Spending Plan.

All motions were unanimously approved by the Commissioners.

Commissioner Poindexter moved to authorize staff to submit an application to the Department of Energy for DE-FOA 0000091, Enhancing State Government Energy Assurance Capabilities and Planning for Smart Grid Resiliency.

Commissioner Baughman McLeod seconded the motion.

Public comments were taken on all agenda items, below is a list of speakers.

Steve Urse

Peggy Matthews

John Olandock

Scott Egglefield

Carrie Hebreak

Rhonda Ruff

John Olandock

Dave Basette

Marsha Elder

Monica Kennedy

Commission members reviewed the Wednesday, August 17th date for the next FECC conference call. Staff will post the agenda and meeting materials on the Commission's Web site as soon as they are available.

Chairman Murley thanked all the Commission Members, staff and public and then adjourned the meeting at 5:45 p.m.

Meeting materials and audio for this meeting are available on the Commission's Web site.