

State Energy Efficient Appliance Rebate Program Program Plan Narrative – Florida

Executive Summary

Program Summary.

Florida's ENERGY STAR appliance rebate program will focus on replacing those products in the Florida home that will provide the state with the most energy and water savings and that are not already covered by a state or large utility program. Products eligible for Florida's rebate program are only appliances purchased, in the state of Florida, for personal use by the consumer. Rebates shall be available only for the following ENERGY STAR certified appliances and products: gas tank-less water heaters, clothes washers, refrigerators, dishwashers, room air conditioners and freezers. This program is available to all Florida residents through a mail-in rebate application and will launch April 16, 2010 and conclude April 25, 2010. It is timed to coincide with Florida's Earth Day Activities. Florida will hire a third party Program Administrator to handle the rebate process and to capture the needed metrics associated with the program. All advertising and marketing for the rebate program will be undertaken by our program partners.

The rebate amounts will be:

Rebates are limited to one rebate per ENERGY STAR appliance type per address.

In addition to the rebate for purchasing the ENERGY STAR appliance, consumers will also receive \$75 if they provide evidence of having recycled the old appliance. That evidence may consist of a statement on the retailer receipt indicating pick-up of the old appliance or a receipt

from the local public or private landfill of delivery of the old appliance.

Program Goals.

Florida has several goals it hopes to achieve through the ENERGY STAR appliance rebate program. (1) **Energy Savings:** Replacing old energy inefficient appliances with new ENERGY STAR appliances will provide numerous benefits. Saving energy through an ENERGY STAR appliance saves consumers money every month when they pay a lower energy bill. By purchasing less energy overall, consumers help the utility conserve energy use which reduces the need to build expensive power plants and transmission/distribution lines. Building fewer power plants keep consumer energy rates down. Finally, as consumers use less energy and require less energy to be produced, it reduces the amount of harmful greenhouse gas emissions released into Florida's atmosphere. (2) **Water Savings:** Not only does Florida have a concern with the increasing amount of energy used by our residents but the state is also critically concerned about water use and availability. The first two appliances included in our program were washing machines and dish washers because of the double benefit of energy and water savings. (3) **Stimulate Retail Sales:** Our goal is to put the maximum amount of the state's allocation into our consumers' hands to stimulate sales and minimize the amount spent on administrative operations. Encouraging sales and the added benefit to the state of greater sales taxes collected will benefit retail stores and state and local government. (4) **Stimulate manufacturing and retail jobs:** Through our Federal allocation, Florida has the opportunity to stimulate the purchase of over 55,000 appliances statewide. This will give appliance manufacturers the incentive to increase manufacturing production which will save many jobs and allow them to hire additional labor. (5) **Raise awareness of Recycling:** Florida has a state law that requires all landfills, whether public or privately owned, to recycle all appliances or "white goods." All recycling

companies and scrap yards in Florida are required to capture hazardous materials from the white goods appliances and many of them participate in the Federal recycling program that offers a bounty for turning in mercury switches removed from recycled appliances. While not commonly known now, through this program it is hoped that more consumers will use the state's recycling program. As an unintended benefit, Florida's recycling and salvage businesses should see an increase in activity. (6) **Raise awareness of the savings associated with ENERGY STAR**

appliances: Many manufacturers and retailers will use their marketing and advertising efforts to extol the virtues of ENERGY STAR appliances. For those customers who purchase an ENERGY STAR appliance for the first time, when they see an improvement in their energy bill it will encourage them to purchase other ENERGY STAR appliances and share their experience with others. With this added knowledge and experience, we hope that more consumers will look first to ENERGY STAR appliances in the future when they choose to replace an old appliance.

Program Objectives.

Our program objectives are to replace and recycle energy inefficient appliances with ENERGY STAR appliances in the following amounts:

- Washing machines – 15,000
- Dishwashers – 12,000
- Refrigerators – 20,000
- Freezers – 2,000
- Room Air Conditioners – 5,000
- Gas Tankless Water Heaters – 2,000

Estimated Benefits.

Based on the sales estimates in our program objectives, Florida will sell approximately 56,000

ENERGY STAR appliances with total sales approaching \$45,350,000 and tax receipts of approximately \$3,174,000. Through these sales, Florida will be able to save annually:

- 7,386,757 kilowatt hours of energy
- 167,815 natural gas therms
- 111,403,000 gallons of water
- 10,447,395 pounds of carbon dioxide (green house gas emissions)

The inefficient energy appliances replaced by the new ENERGY STAR appliances will be taken out of service and recycled. It is estimated that this program will save many existing jobs and businesses and create up to 190 new jobs.

Outline your specific program objectives in Table 1. All savings numbers should be calculated using the Program Planning Excel Spreadsheet tool.

Table 1. Program Objectives	
Program Objective	Target Value
Total Number of Rebates Paid	56,000
Total Number of Appliances Replaced	56,000
Total Number of Appliances Recycled	56,000
Total Annual Energy Savings (kWh)	7,386,757
Total Annual Energy Savings (Therms)	167,815
Total Annual Water Savings (gallons)	111,403,000
Total Annual CO ₂ Reductions (lbs)	10,447,395
Jobs Created*	191

** DOE is waiting for specific OMB guidance on how to quantify jobs created for reporting purposes. In the meantime, the general guidance is that every \$92,000 expended leads to one "job created."*

Enter a comprehensive timeline with key milestones for your program in Table 2. When will key decisions be made? When will the program be announced? How long will it last? Please add your own milestones as needed.

Table 2. Program Timeline and Milestones

Program Milestones	Target Date
Florida Energy and Climate Commission approves program rule	September 29, 2009
Release Request for Proposal for Program Administrator	October 2009
Award contract to Program Administrator contingent upon award from DOE.	December 2009
Program Administrator begins work developing application and reporting software	January 1, 2010
FECC approves Rebate Application	March 1, 2010 or sooner
Program Administrator launches website	March 1, 2010 or sooner
Site visit to ensure Program Administrator is ready for program launch	March 22, 2010
Program Administrator test runs reporting software program	March 22, 2010
Florida ENERGY STAR Appliance Rebate program activation	April 16 – 25, 2010
Site visit to observe rebate application processing	May 3, 2010
Deadline for submittal of rebate application	May 10, 2010
Final rebate check issued	June 30, 2010

I. Program Overview

Please populate the Program Planning Excel Spreadsheet before completing this section. All data in the tables below should correspond with the data in the Excel spreadsheet. Please include an estimate of the total number of appliances that will be recycled through your program, where applicable.

Table 3. Rebate Detail

Products to be Rebated	Rebate Level (\$)	Targeted Quantity	Total Cost	Targeted # of Products Recycled
Clothes washers	\$150-200	15,000	\$2,500,000	15,000
Dish washers	\$150-200	12,000	\$2,000,000	12,000
Refrigerators	\$300	20,000	\$6,000,000	20,000
Freezers	\$200	2,000	\$400,000	2,000
Room air conditioners	\$50	5,000	\$250,000	5,000
Gas tankless water heaters	\$300	2,000	\$600,000	2,000
Total Rebates		56,000	\$11,750,000	56,000

II. Explanation of Covered Products

If all of the State’s proposed products are from the recommended list included in the FOA, then no additional explanation is needed. You can skip to the next section. If other ENERGY STAR qualified products or cold-climate products are proposed, then you must provide a justification for each product. Data for these additional products must also be included in the Program Planning Excel Spreadsheet.

Justification for ENERGY STAR or cold-climate appliances not on the recommended list.

For each product selected, explain why it will provide significant benefits in your State/Territory, the annual per-unit energy savings, estimated annual sales of product in your State (market share), and price difference between the proposed product and the standard efficiency alternative. Include any other explanation you feel justifies the inclusion of this product in your program.

Product:

Annual per-unit Energy Savings:

Estimated Sales or Market Share in your State:

Price Difference:

Explanation on how this product benefits your State:

III. Integrating SEEARP Rebates with Existing State or Utility Incentives

States must design their SEEARP rebates to complement existing State or utility incentives available to local residents. In addition, States must ensure that the ARRA funds supplement and do not supplant current efforts. In the table below, please note for each product you propose to rebate whether there are any current (or planned) State rebates or tax credits, or any utility rebate programs. Please base this on what is planned for 2010-2011.

Table 4. Overlap with Existing Incentives			
Products to be Rebated	Other State Rebate or Tax Incentive Available? (Yes / No)	Utility Rebates Available? (Yes / No)	
Room air conditioner	No		Yes
Refrigerator	No		Yes
Freezer	No		Yes
Clothes washer	No		Yes
Gas tankless water heater	No		Yes

For those products where there will be other rebates or incentives available, please list each of the individual programs in the table below. Complete one table for each applicable product. You do not need to list utility programs offered for products you will not be rebating. Include the name of the sponsoring organization (i.e., the utility or other program sponsor), the efficiency level being used (such as ENERGY STAR), the rebate amount, when the program will be in operation, and budgeted number of rebates if known. Then explain how the State’s proposed rebate level is designed to complement these other efforts. Some possible explanations are noted below. You can copy the table as many times as needed.

Product 1: Room Air Conditioners				
Program Sponsor	Efficiency Level	Rebate Amount	When Available	Budgeted Quantity Of Rebates
Gainesville Regional Utilities	EER 10.7 or higher, 10,000 BTUs or larger and ENERGY STAR	\$150		
How does State’s Proposal Complement these Programs? (Check all that apply)				
<input checked="" type="checkbox"/>	Layering on top of existing rebates to increase total incentive payment to consumers.			
<input type="checkbox"/>	Directing State rebate to products at a different or higher efficiency level.			
<input type="checkbox"/>	Extending the availability (i.e., the quantity) of existing planned rebates.			
<input type="checkbox"/>	Other (Please Explain)			

Product 2: Refrigerator				
Program Sponsor	Efficiency Level	Rebate Amount	When Available	Budgeted Quantity Of Rebates
City of Tallahassee	ENERGY STAR	\$75		
How does State’s Proposal Complement these Programs? (Check all that apply)				
<input checked="" type="checkbox"/>	Layering on top of existing rebates to increase total incentive payment to consumers.			
<input type="checkbox"/>	Directing State rebate to products at a different or higher efficiency level.			
<input type="checkbox"/>	Extending the availability (i.e., the quantity) of existing planned rebates.			
<input type="checkbox"/>	Other (Please Explain)			

Product 3: Freezer

Program Sponsor	Efficiency Level	Rebate Amount	When Available	Budgeted Quantity Of Rebates
City of Tallahassee	ENERGY STAR	\$40		
How does State's Proposal Complement these Programs? (Check all that apply)				
X	Layering on top of existing rebates to increase total incentive payment to consumers.			
	Directing State rebate to products at a different or higher efficiency level.			
	Extending the availability (i.e., the quantity) of existing planned rebates.			
	Other (Please Explain)			

Product 4: Clothes Washer				
Program Sponsor	Efficiency Level	Rebate Amount	When Available	Budgeted Quantity Of Rebates
City of Tallahassee	ENERGY STAR	\$100		
How does State's Proposal Complement these Programs? (Check all that apply)				
X	Layering on top of existing rebates to increase total incentive payment to consumers.			
	Directing State rebate to products at a different or higher efficiency level.			
	Extending the availability (i.e., the quantity) of existing planned rebates.			
	Other (Please Explain)			

Product 5: Gas Tankless water heater				
Program Sponsor	Efficiency Level	Rebate Amount	When Available	Budgeted Quantity Of Rebates
Tampa Electric Company (TECO)		\$525		
How does State's Proposal Complement these Programs? (Check all that apply)				
X	Layering on top of existing rebates to increase total incentive payment to consumers.			
X	Directing State rebate to products at a different or higher efficiency level.			
	Extending the availability (i.e., the quantity) of existing planned rebates.			
	Other (Please Explain)			

IV. Program Implementation Strategy

A. Program Delivery – Roles and Responsibilities

Florida will hire a third party administrator, through a competitively bid request for proposal (RFP), to administer its ENERGY STAR Appliance Rebate Program. The RFP will be released in October 2009 with the intention of awarding the bid in December 2009. The state will oversee the administration of the award. Florida will work with its partners, which include all utilities, retailers, manufacturers, and environmental groups, to coordinate and execute a marketing and advertising campaign for the program launch.

The RFP will include metric reporting requirements for the program administrator. Florida will conduct two site visits to the program administrator's location and a test run of the metric reporting system will occur during the first site visit.

B. Program Partners

Florida's Legislature required the ENERGY STAR Appliance Rebate Program be developed through the state rule making process. This process included several public workshops and solicitation of comments. Florida's utilities, retail businesses, Retail Federation, manufacturers, environmental groups and interested citizens all provided comments and helpful suggestions. Also, through this process a number of utilities, retail businesses, manufacturers, and environmental groups have indicated a desire to provide advertising and marketing. They have committed to sending us letters indicating their estimated marketing and advertising budgets in Florida to add to our state match.

C. Rebate Processing

The Florida ENERGY STAR Appliance Rebate Program will be administered by a third party and the rebates will be processed with a mail-in application. The payment will be provided to consumers through a check in the mail. The program will run from April 16 to April 25, 2010, and the consumers have until May 10th to mail in their rebate application. Rebates will be processed first come first serve and the program ends when the money is depleted. All rebate applications, websites and advertising will inform consumers that the program does not guarantee a rebate and the program ends when funds are depleted.

Florida's RFP for a program administrator has not been issued, but we intend to include evaluation criteria that all completed rebates should be mailed within one month of submittal.

All incomplete rebates, where the customer provides the errant information within one week of notification, should be mailed before July 1, 2010.

As part of the RFP, evaluation criteria will include the requirement that the program administrator maintain both a phone bank to answer consumer questions and a website with both frequently asked questions and a place for consumers to ask questions electronically.

There are no statewide rebate programs for the appliances selected for this program. One or two of Florida's small municipal utilities offer rebates on some of the appliances. Since this affects a small percentage of Florida's consumers the state rebate will be in addition to their rebates.

D. Program Eligibility Rules

Florida's program rule states that the rebate is available to any Florida residential consumer who purchases a qualified appliance in the state of Florida from a retail establishment that pays Florida taxes. No multi-tenant building owners or condo associations are eligible for the rebate. The program is intended to be used by Florida residential consumers for their personal use in their home. Rebate checks will only be sent to Florida residences. Each resident may apply for a rebate on one of each qualified appliance and the maximum amount of the rebate may not exceed \$1,500.

E. Product Replacement

Florida's program rule states the intent is to encourage consumers to replace their old energy inefficient appliances with new ENERGY STAR appliances. Florida will ask its marketing/advertising partners to place an emphasis on the theme "Trade-Up Florida" to encourage consumers to replace their appliances. This marketing campaign will be developed further in the next few months. In an effort to encourage recycling, Florida is offering an additional \$75 on top of their purchase rebate if the consumer will recycle their old appliance. To qualify for this additional \$75 the consumer must provide evidence that the newly purchased appliance type is the same type appliance being recycled. For example, if the consumer is asking for a rebate and recycle bonus on a refrigerator then the consumer must provide evidence of having recycled an old refrigerator.

F. Product Recycling

Florida is not requiring recycling of any appliances, however, it is offering an additional rebate amount of \$75 per appliance rebated if the consumer will provide evidence of having recycled the old appliance. Florida's rebate includes refrigerators, freezers and room air conditioners. Evidence of having recycled the old appliance may either be the original store receipt indicating pick-up of the old appliance or a receipt from a landfill with the name of the landfill, the date, a brief description of the appliance being delivered, and finally a signature from the receiving person.

All landfills in Florida must be permitted by the State's Department of Environmental Protection and through state law all landfills, whether public or private, must recycle "white goods" appliances. Florida considers white goods to be hazardous materials and requires landfills to set them aside, collect them, and send them to a metal recycler. All metal recycling centers and scrap yards must also be permitted by Florida's Department of Environmental Protection. All mercury switches and PCBs must be removed from the white goods before they can be shredded or melted down. Most metal shredders in Florida will not accept white goods from suppliers unless the supplier participates in the Federal program that pays a bounty for each mercury switch pulled from an automobile or white good and recycled.

G. Marketing and Outreach

Florida has held its ENERGY STAR Appliance Rebate program rule making in the public and solicited comments from citizens throughout the state. The rule will be voted out on September 29th and posted publicly for all to see for two months. A press released will be issued from the Governor's Office and formal announcements made statewide on the states, appliances and

rebate amounts. This information will also be posted in several locations on our website.

Florida is partnering with its utilities, retail stores, manufacturers, and environmental groups to provide marketing and advertising for this program. Florida has received written commitments from these partners. A full marketing and advertising program will be developed in the coming months.

The state is considering becoming an ENERGY STAR partner.

Florida will have disclaimers on the rebate applications and on all websites that the rebates will be issued on a first come first serve system. We will require our advertising partners to do the same. This is clearly stated in our rule. It is hoped that the limited time duration under which consumers can purchase an ENERGY STAR appliance will help to contain the amount of rebates to the amount of funds the state has available. It is not likely that during the ten days our ENERGY STAR appliance rebate program is open that we will know if the rebate dollars have been exhausted. Thus it is more important that we require our program administrator to keep track of the amount of rebate funds issued and post that on their website. In addition, our program administrator will need to maintain a customer service phone bank and website to communicate with customers on the status of their rebate. Once the program administrator is selected these details will need to be specified.

V. Oversight and Reporting

A. Oversight

Project parameters, specific deliverables and related performance measures will be established by the state during the development of the Scope of Work for any solicitations for project services. These items will then be included in the resulting legal contract document executed to

perform the services. The state will then insure compliance with all terms and conditions of the contract through project monitoring which covers the following areas including but not limited to: procurement, administration, financial and programmatic. The state will document any instance of non-compliance and require swift corrective actions.

B. Progress Reporting

As outlined in the FOA, States are required to submit a progress report for all activities on a quarterly basis. **DOE will issue clarification shortly on any additional reporting requirements with specific Excel tools for ease of reporting.** States should plan staffing accordingly to accommodate monthly tracking of the metrics listed below, as well as potential Recovery Act reporting.

This reporting does not replace any additional reporting required under The American Recovery and Reinvestment Act of 2009, Pub. L. 111-5. Additional monitoring and reporting guidance will be forthcoming. Please refer to your FOA for detailed information.

Notes on Metrics:

Total # of State Rebates Paid

Although reporting will be quarterly, the State must track rebates paid monthly for each category of appliances selected.

Total # of other State/Utility Rebates Paid

Based on the listing of other State and utility programs in the State, as supplied in Section III., above, the State must report the rebates actually paid to consumers by other State or utility programs.

Total # of Appliances Recycled

Based on management of recycling as detailed in section F of the Program Implementation Strategy, explain how the State will collect information on appliances recycled by type over the reporting period.

Number of Jobs Created

For all project types, the number of jobs that are created or retained during the reporting period should be reported; each job should only be reported once. This number must be based on actual employees. If actual jobs cannot be verified, the state may propose its own methodology for estimating jobs; this methodology must be approved in advance.

Estimated Energy Saved and CO₂ emissions avoided

States are expected to provide the interim estimated benefits due to the rebates provided. This primarily takes the form of annual energy savings and CO₂ abatement due to activity in the period. For example, if 1000 rebates were delivered in the quarter, report the expected annual savings due to the appliances sold. The reporting framework will include an estimate calculation of kWh, BTU saved and CO₂ for each specific appliance. The State may report this value or values based on its own methodology, with justification and approval.

VI. Applicant Contact Information

State Program Contact One (Business Officer) (The person who is responsible for the day-to-day management, including progress reporting.):

Name and Title: Brenda Buchan, Chief Analyst
Agency: Governor’s Energy Office
Email: Brenda.Buchan@eog.myflorida.com
Phone: (850) 487-9297

State Program Contact Two:

Name and Title: Alexander Mack, Program Administrator
Agency: Governor’s Energy Office
Email: Alexander.Mack@eog.myflorida.com
Phone: (850) 487-4568

State Single Point of Contact to Comply with Executive Order 12372 (FOA, page 13):

Name and Title: Alexander Mack, Program Administrator
Agency: Governor’s Energy Office
Email: Alexander.Mack@eog.myflorida.com
Telephone: (850) 487-4568

Website URL where the State application will post public communications:

[http://myfloridaclimate.com/climate quick links/florida energy climate commission](http://myfloridaclimate.com/climate_quick_links/florida_energy_climate_commission)

Contact Information for each sub awardee (expand as needed):

Company	Contact Person	Email	Telephone Number	Website URL
TBD				