



**Governor's Action Team on Energy and Climate Change**  
*State of Florida*

**MEETING SUMMARY**

**FLORIDA ENERGY and CLIMATE ACTION TEAM**  
**Energy Supply & Demand (ESD) Technical Work Group (TWG)**  
**Teleconference Meeting, Call #9**  
**June 11th, 2008**  
**1:30 pm – 3:30 pm EST**

**Attendance:**

1. ESD TWG Members: Charlie Beck, Office of the Public Counsel; Ben Crisp, Progress Energy Florida; Eric Draper, Audubon of Florida; Jack Glenn, Florida Home Builders Association; Alisa Coe for David Guest, Earthjustice; Jim Nicks for David McCullough, Gulf Power Company; Mark Kaplan, Mosaic Fertilizer; Dr. Anjane'yulu' Krothapalli, Florida State University; Thomas Hernandez, Tampa Electric Company; Jack Shreve, Office of the Governor; Eric Silagy, Florida Power & Light; Jim Vick, Gulf Power; Ken Baker, Wal-Mart;
2. FL DEP: Jeremy Susac, Director FL Energy Office
3. CCS staff: Donna Boysen, Judith Barry

**Background documents:** (all posted at <http://www.flclimatechange.us>)

1. Meeting #9 Notice and Agenda
2. PowerPoint for Teleconference #9
3. Meeting Summary of Teleconference #8
4. ESD Straw Proposal draft

**Discussion items and key issues:**

1. This was the ninth conference call of the FL ESD TWG.
2. Donna Boysen of CCS called the roll and reviewed the agenda and documents for the call, referencing the fact that the documents for the call are available on FL CCS website.
3. Donna asked if there were any corrections or additions to the summary of the prior meeting. There were none.
4. Donna provided an overview of the presentation of the call, including goals of today's discussion. It was noted that this call would begin the process of discussing the policy descriptions and policy designs that will be assigned to each

- policy option. Donna noted that the language developed by CCS was either derived directly from the policy catalog or taken from policies pursued by other states. The TWG was encouraged to critically evaluate whether these policy designs were applicable to Florida. The TWG was reminded that the goal of these discussions was to, whenever possible, develop quantifiable policy designs.
5. The first policy option considered was ESD-12; Demand Side Management/ Energy Efficiency Programs, Funds, or Goals for Electricity. Members of the TWG noted that the Florida Public Service Commission (PSC) has already established standards for Demand Side Management and felt that these standards would be a good place to start the policy design quantification process. Other members of the TWG, along with Donna Boysen, remarked that in order for the TWG process to add value more aggressive goals would at the very least need to be considered. Donna also indicated that DEP Secretary Sole felt that the TWG should build upon the PSC standards established in HB 7135. Members of the TWG came to a consensus on the fact that a final judgment on this policy option should be withheld until Tom Bollinger of the PSC could be consulted.
  6. The next policy option the TWG considered was ESD-16; More Stringent Appliance/ Equipment Efficiency Standards. Concern was expressed by members of the TWG that this category placed equal responsibility on reducing energy usage from appliances to all RCI sectors when it was these members' feeling that the residential sector is responsible for the majority of appliance usage. Judith Barry noted that it would be relatively simple to differentiate the residential sector from the commercial and industrial sectors during quantification. The TWG elected to conduct quantification before reviewing the policy design any further. It was also noted that the list on the policy description portion of the policy option was probably better suited to the implementation mechanisms portion of the document.
  7. The third policy option considered was ESD-19; Energy Efficiency Financing and Alternative Business Models. The TWG felt that goals of the policy design as stated were unlikely to be achievable and the members questioned whether or not it would be possible to quantify gross reductions in energy consumption as the result of EE financing. It was suggested that a better metric might be to measure what degree of consumer participation in these programs is achieved. From this number an estimate of how much energy has been saved could be deduced. This method allows for the fact that there are people who would make EE improvements without financing anyways. The TWG agreed that some combination of energy consumption and program participation would be an appropriate metric.
  8. The fourth policy option considered was ESD-20b; Energy Efficiency for New and Existing Low Income Units. The TWG agreed that some reference to regulatory controls needed to be added to the policy description. Members also noted that it might be a good idea to consider participation rates instead of gross

energy usage reductions. The TWG stated that they would like to see quantification include both multi-family and single-family units.

9. The fifth policy option considered was ESD-21; Rate Structures and Technologies to Promote Reduced GHG Emissions. Members of the TWG raised objectives to the policy design's assumption that the impact of adjusted rate structures would be primarily felt in the industrial and commercial sectors. It was noted that recent price elasticity studies conducted in Florida suggest that block rates may have a significant effect on residential usage when they are combined with an active public awareness campaign.
10. The sixth policy option considered was ESD-22; Demand-Side Management/ Energy Efficiency Programs, Funds, or Goals for Natural Gas. Donna Boysen noted that the quantification efforts could differentiate between RCI sectors where appropriate. Members of the TWG noted that if utility power generation were to be included in the GHG reductions then it would be almost impossible to meet the goals as stated. The reason for this is that utilities are ramping up their use of natural gas in repowering efforts. While the language of the policy description already circumvents these issues the TWG noted their importance.
11. The seventh policy option considered was ESD-23; Decoupling. The TWG agreed with CCS staff that the effects of this policy would be reflected in other options and was therefore not quantifiable.
12. The eighth policy option considered was ESD-13; Promotion and Incentives for Improved Design and Construction in the Private Sector. Members of the TWG suggested that a Florida specific green building certification program was unnecessary since there are a plethora of federally certified programs available. A better metric might be to aim to have every builder certified in one way or another by a certain year. It was also noted that the efficiency improvements in master-planned community develops mandated by HB 7135 already rely on technological improvements that are not necessarily guaranteed. As such, the TWG was not sure the additional 10% efficiency improvement stated in the policy design was possible. It was suggested the timeframe for this 10% improvement might be pushed back to make accomplishing it more realistic.
13. Judith Barry provided the opportunity for public comment. There was none.

#### **Next Steps:**

1. TWG members asked if it would be possible to quantify numbers from each policy option for each type of goal (energy savings, participation rates, etc...). This can be done after all of the quantifications have been completed.
2. Continue reviewing draft policy option descriptions on the next call. The date for call #10 is Wednesday, June 18<sup>th</sup>, 2008, at 1:30 pm to 3:30 pm EDT.