## **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

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Request to opt-out of cost recovery for investor-owned electric utility energy efficiency programs by Wal-Mart Stores East, LP and Sam's East, Inc. and Florida Industrial Power Users Group.

Docket No. 140226-EI Filed: June 22, 2015

### PREHEARING STATEMENT OF WHITE SPRINGS AGRICULTURAL CHEMICALS, INC. d/b/a PCS PHOSPHATE – WHITE SPRINGS

Pursuant to the Florida Public Service Commission's Order No. PSC-15-0149-PCO-EI,

White Springs Agricultural Chemicals, Inc. d/b/a PCS Phosphate - White Springs ("PCS

Phosphate"), through its undersigned attorneys, files its Prehearing Statement in the above

matter.

## A. <u>APPEARANCES</u>

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# B. <u>WITNESSES</u>

PCS Phosphate does not plan to call any witnesses at this time.

# C. <u>EXHIBITS</u>

PCS Phosphate does not plan to offer any exhibits at this time, but may introduce exhibits

during the course of cross-examination.

#### D. <u>STATEMENT OF BASIC POSITION</u>

PCS Phosphate supports the proposals by FIPUG and Wal-Mart to separate the energy efficiency and load management segments of Florida utilities' DSM plans, and to allow qualifying large non-residential customers to opt out of the energy efficiency portion of the ECCR charge. FIPUG witness Pollock and Wal-Mart witness Baker are correct that the performance terms and requirements of load management programs permit utilities to rely on load reductions from those programs for both resource planning and operations purposes, resulting in reliable system-wide benefits. Energy efficiency programs are intended to promote cost-effective measures that would not otherwise be implemented due to market imperfections, such as inadequate customer information and education concerning the availability of such measures. These issues do not apply to energy intensive manufacturing customers that are highly motivated by intense competitive pressures to identify and pursue cost-effective energy efficiency investments and practices on their own. Moreover, utility energy efficiency measures typically are not designed to address process efficiency improvements in the operations of energy intensive manufacturers because the customer possesses superior information concerning its processes, potential areas of improvements, and the costs to achieve them. Allowing those customers to self-direct their efficiency efforts will increase the reported energy savings in Florida by better capturing large customers' own efficiency actions. Self-direct energy efficiency efforts will also contribute to the economic competitiveness of those customers by eliminating the double payment in efficiency costs that now occurs through the payment for energy efficiency through the ECCR charge and through the customer's own self-funded efforts. PCS generally supports the opt-out eligibility criteria described by FIPUG witness Pollock as reasonable and appropriate.

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### E. <u>STATEMENT ON SPECIFIC ISSUES</u>

**<u>ISSUE 1:</u>** Should the Commission require the utilities to separate their Energy Conservation Cost Recovery expenditures into two categories, one for Energy Efficiency programs and the other for Demand Side Management programs?

**<u>PCS Phosphate:</u>** Yes. PCS agrees with FIPUG and Wal-Mart that this separation should be implemented.

**<u>ISSUE 2:</u>** Should the Commission allow pro-active non-residential customers who implement their own energy efficiency programs and meet certain other criteria to opt out of the utility's Energy Efficiency programs and not be required to pay the cost recovery charges for the utility's Energy Efficiency programs approved by the Commission pursuant to Section 366.82, Florida Statutes?

**<u>PCS Phosphate:</u>** Yes. PCS agrees with Wal-Mart and FIPUG.

**<u>ISSUE 3:</u>** If the Commission allows pro-active customers to opt out of participating in, and paying for, a utility's Energy Efficiency programs, what criteria should the Commission apply in determining whether customers who wish to opt out are eligible to do so?

**PCS Phosphate:** PCS generally agrees with the eligibility criteria described by FIPUG.

### F. <u>PENDING MOTIONS</u>

None.

### G. <u>PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY</u>

None.

# H. OBJECTIONS TO QUALIFICATIONS OF WITNESS AS EXPERT

None at this time.

### I. <u>REQUIREMENTS OF ORDER ESTABLISHING PROCEDURE</u>

There are no requirements of the Procedural Order with which PCS Phosphate cannot

comply.

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Respectfully submitted

#### STONE MATTHEIS XENOPOULOS & BREW, PC

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Dated: June 22, 2015

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#### **CERTIFICATE OF SERVICE**

I hereby certify that a true copy of the foregoing Petition to Intervene has been furnished by electronic mail and/or U.S. Mail this 22nd day of June 2015 to the following:

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