

Brian Schultz

From: Brian Schultz on behalf of Records Clerk
Sent: Wednesday, June 26, 2019 12:34 PM
To: 'George Cavros'
Subject: RE: Comment Letter; Docket No. 20190061-EI

Good afternoon,

We will be placing this in docket 20190061-EI as a Parties and Interested Persons Correspondence.

Sincerely,

Brian Schultz

Commission Deputy Clerk I
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
Brian.Schultz@psc.state.fl.us
850.413.6770

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From: George Cavros [<mailto:george@cavros-law.com>]
Sent: Wednesday, June 26, 2019 12:20 PM
To: Records Clerk
Cc: Walter Trierweiler; Tom Ballinger; Maria Moncada; Ken Hoffman; Rich Zambo; JR Kelly; Stephanie Morse; Jon Moyle; Diana Csank; Katie Chiles Ottenweller; seaton@spilmanlaw.com; dreed@aee.net; office@libertypartnersfl.com
Subject: Comment Letter; Docket No. 20190061-EI

Dear Commission Clerk,

On behalf of Southern Alliance for Clean Energy, please file the attached comment letter regarding the proposed FPL Solar Together program, in Docket No. 20190061. Thank you in advance for your assistance.

Sincerely,

George Cavros

George Cavros, Esq.
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June 26, 2019

Chairman Graham, Comms. Brown, Polmann, Fay, Clark
Florida Public Service Commission
2540 Shumard Oak Drive
Tallahassee, Florida 32399

Re: Docket No. 20190061-EI

Dear Commissioners:

On March 13, 2019, Florida Power & Light Company (FPL) filed a petition¹ with the Commission requesting approval of its voluntary community solar program (SolarTogetherSM) along with the associated tariff, Rate Schedule STR. Southern Alliance for Clean Energy (SACE) endorses this program. SACE strongly supports the development of solar energy as a low cost generation resource with no fuel costs, no price volatility, and as a zero emission generation resource. All utility customers benefit from a diversity of solar power programs and ownership structures.

Both utility scale and rooftop solar continue to grow in Florida. Yet, a number of customers can't directly take advantage of rooftop solar power. They may lease their homes, live in multi-tenant dwellings, have roofs that can't host a solar system or have too much shade, or experience other mitigating factors. Shared (or community) solar programs are intended to provide access to the economic and environmental benefits of solar power for those customers.

The FPL SolarTogetherSM program will be the largest shared solar program in the United States: 1,490 megawatts (MW). This is the scale of utility leadership on solar development SACE encourages in the Southeast. The project price points are significantly lower than previously-approved SOBRA projects,² and the program is projected to provide \$139 million in system savings when compared to FPL's system costs without these solar additions.³ Those system savings will be shared by both participants and the general body of ratepayers. The program is designed to serve an estimated 74,500 residential customers, in addition to commercial customers.

Thus, SACE supports Commission approval of this program and respectfully requests the Commission to consider whether FPL should be encouraged to undertake analysis to determine in future tranches how this program can feasibly include a low to moderate income (LMI) participation component.

This approval process should proceed to a Commission vote at the August 6, 2019 agenda conference. SACE is mindful that VoteSolar and the Office of Public Counsel have asked the Commission to bypass the agenda conference vote and proceed directly to an evidentiary hearing. The Commission should reject these requests as they would invariably lead to delays in approval of the program. Delays in approving the program delays the economic benefits to customers and associated environmental benefits. Further, SACE maintains that a Commission vote and approval in the near future will send a positive sign to other states to follow Florida's lead in the development of large

¹ Florida Power & Light Company, *Petition by Florida Power & Light Company for Approval of FPL SolarTogether Program and Tariff*, March 13, 2019.

² *Id.* at p. 7.

³ *Id.* at p. 8.

scale solar projects that respond to customer demand. For these reasons, SACE recommends approval of the FPL SolarTogetherSM proposal on the current docket time schedule as a proposed agency action.

The FPL proposed SolarTogetherSM program meets many of the best design practice criteria for shared solar design, and the Commission should consider these when evaluating FPL's program. Best practices in shared solar program design include: (#1) expanding consumer access to clean energy; (#2) offering a tangible economic benefit for all participating customers; (#3) identifying ways to promote cost savings; (#4) prioritizing the customer experience; (#5) promoting competition; (#6) optimizing community solar to benefit the grid and the community; and (#7) complementing existing programs.⁴

FPL should be commended for offering a program that provides greater access to solar power to a significant number of its customers, which is aligned with design criterion (#1). Many residential customers, for instance, are unable to install rooftop solar systems due to the location and orientation of their homes, residing in multi-unit buildings, because they rent their home, financial barriers, and other reasons. A significant number of those customers can now access the economic benefits of solar power.

The 74.5 MW capacity of each project and the twenty proposed solar installations leverage economies of scale to promote development cost savings (#3) and the proposed SolarTogetherSM program offers tangible economic benefit directly to participating customers (#2). The subscription rate for Phase 1 is established as \$6.76 per kilowatt (kW). Participants will receive a bill credit based on the generation in kilowatt-hours (kWh) from their subscribed capacity. "For FPL SolarTogether Phase 1, the Benefit Rate starts at 3.42881 cents per kilowatt hour and will escalate at 1.45 percent annually."⁵ The "[p]rogram is designed to allow participants to achieve simple payback between years 5-7."⁶ Therefore, the program provides a more significant and more certain benefit to participants than other shared solar programs that the Commission has previously approved.⁷

The Company has prioritized the customer experience by allowing participation in the program with no upfront subscription fees; allowing flexible subscription amounts⁸; no cancellation fees for leaving the program; and a portability feature that allows the subscription to stay with customer if they move within the FPL service territory.⁹ This is consistent with design criterion (#4).

Community/shared solar programs should complement existing programs (#7). For example, they should be "additive" and result in additional renewable energy resources on the distribution grid rather than competing with existing programs. FPL's program meets this design criterion as these are new facilities that will be built for the purpose of serving participants in this program. In this case, FPL should continue to offer and promote existing rooftop net metering options for customers preferring on-site self-generation.

⁴ Vote Solar and IREC, *A Checklist for Voluntary Utility-Led Community Solar Programs*, November 2018.

⁵ Florida Power & Light Company, *Petition by Florida Power & Light Company for Approval of FPL SolarTogether Program and Tariff*, March 13, 2019.

⁶ FPL's Responses to Staff's First Data Request, March 17, 2019

⁷ See e.g. Florida Public Service Commission, Order No. PSC-16-0119-EG, March 21, 2016; and Order No. PSC-2017-0451-AS-EU, November 20, 2017.

⁸ Per proposed Rate Schedule STR, "Eligible customers may elect a subscription level in 1 kW units representing up to 100% of their previous 12-month total kWh usage."

⁹ Per proposed Rate Schedule STR, "if the customer moves within FPL's service territory, program participation may continue at a new service address with no impact the customer's program enrollment date subject to the limitations and terms outlined above."

Notwithstanding the above design features of the program which conform to the referenced checklist, there are some areas that could be further refined to meet these guidelines. For instance, the program could provide an even greater value proposition to participants. The majority of potential community/shared solar participants are interested in solar as a way to save on energy costs.¹⁰ Hence, all things being equal, the more value offered, the greater the participation.

Ensuring that these solar projects are as affordable as possible ensures that participants are taking full advantage of the declining costs and savings available. Just as in the recent SoBRA docket, FPL should continue to pursue the most cost-effective projects possible and ensure that they are competitively bidding out the construction and panel procurement to a wide range of vendors to get the best pricing and terms. Alternatively, a utility-owned model may not be the most cost-effective ownership model, so FPL should consider competitive solicitation of solar power in future phases of the program (#5). There may be additional opportunities to optimize the program to benefit the grid and the community (#6). For example, FPL has indicated that residual area at certain SolarTogetherSM properties could be suitable for energy storage.¹¹ Combining energy storage with solar could provide additional grid resiliency value.

As indicated above, a specific design that facilitates participation by LMI customers would be a desirable enhancement to the program. SolarTogetherSM as currently designed has no goals for participation by LMI customers. SACE would welcome the opportunity to collaborate with the Company and other stakeholders to inform a complementary aspect for the program. The Commission should provide flexibility and encouragement for FPL to return to the Commission with an LMI enhancement that could be incorporated into the program already in progress.

Overall, FPL has put forth a novel and significantly-sized investor-owned utility shared solar program design that provides substantial system benefit and prioritizes the customer experience. SACE endorses this program along with additional recommendations described above.

We appreciate the Commission's consideration of these comments.

Sincerely,

A handwritten signature in black ink, appearing to read "Bryan Jacob", with a long, sweeping horizontal stroke extending to the right.

Bryan Jacob
Solar Program Director

¹⁰ Smart Electric Power Alliance and Shelton Group, *What the Community Solar Customer Wants*, August 2016, at: <https://se-papower.org/resource/what-the-community-solar-customer-wants/>. (According to the report, 65 percent of households are interested in solar because they want lower monthly energy cost).

¹¹ FPL's Responses to Staff's First Data Request Nos. 4-23, March 17, 2019