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BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of: DOCKET NO. 20190190-EI

PETITION FOR APPROVAL OF
TWELVE-MONTH EXTENSION OF
VOLUNTARY SOLAR PARTNERSHIP
RIDER AND PROGRAM, BY
FLORIDA POWER & LIGHT
COMPANY
_____ /

PROCEEDINGS: COMMISSION CONFERENCE AGENDA
ITEM NO. 6

COMMISSIONERS
PARTICIPATING: CHAIRMAN ART GRAHAM
COMMISSIONER JULIE I. BROWN
COMMISSIONER DONALD J. POLMANN
COMMISSIONER GARY F. CLARK
COMMISSIONER ANDREW GILES FAY

DATE: Tuesday, December 10, 2019

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: ANDREA KOMARIDIS WRAY
Court Reporter and
Notary Public in and for
the State of Florida at Large

PREMIER REPORTING
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1 P R O C E E D I N G S

2 CHAIRMAN GRAHAM: Okay. Let's go down the
3 agenda to Item No. 6.

4 MR. HAMPSON: Good morning, Commissioners.
5 Corey Hampson for Commission staff. Item 6 is
6 Florida Power & Light's petition for Commission
7 approval of a 12-month extension of the voluntary
8 solar partnership rider and program.

9 The VSP program was first approved for a
10 three-year pilot in August 2014 and has had two
11 subsequent extensions approved in 2017 and 2018.
12 FP&L requests the approval of an additional
13 12-year -- or sorry -- 12-month extension to assess
14 potential participant overlap with a potential
15 future solar program.

16 No Comm- -- or sorry. No customer comments
17 were filed in this docket and staff recommends
18 approval of the petition. Staff and FP&L
19 represent- -- or representatives are available to
20 answer any of your questions.

21 CHAIRMAN GRAHAM: Thank you, staff.

22 Commissioners, any questions of staff or the
23 applicant?

24 Commissioner Brown.

25 COMMISSIONER BROWN: Thank you.

1 I'm happy to see FPL here because we've seen
2 such growth in this program. I was a little
3 skeptical of it in 2014 when we first approved the
4 pilot, but it looks like there has been a lot of
5 interest.

6 Is there still continued interest in it, even
7 with the separate proposal out there?

8 MS. MONCADA: Good morning, Commissioners.
9 Maria Moncada for FPL. And I want to intro- --
10 introduce Mr. Matt Valle, the vice president of FPL
11 development, who has overseen the successful
12 program. And he's here to talk to you and answer
13 your questions.

14 Thank you.

15 COMMISSIONER BROWN: Thank you.

16 MR. VALLE: Commissioners, we have. It's -- I
17 mean, I think we share in both the excitement and a
18 little bit of surprise since 2014 at -- at the
19 growth of the program. It has continued to grow
20 since we were here last year.

21 In fact, in some ways, we have put less of an
22 emphasis on it this last year and, despite seeing
23 no real change in attrition, we've been able to
24 continue adding customers to the program.

25 So, I think the real question for us is going

1 to be, with the hopeful onset of the FPL
2 SolarTogether program, what is the impact to the
3 SolarNow program. And we want to observe that in
4 real time and come back and make a more-informed
5 recommendation.

6 COMMISSIONER BROWN: And just to be clear,
7 though, the customers under this program can
8 terminate at any time. So, if the Commission does
9 move forward with the SolarTogether project, this
10 program -- the customers could get -- get off the
11 program within a month or so, is that correct,
12 or --

13 MR. VALLE: Yeah, that's correct. There's no
14 contract to be in the SolarNow program or in the
15 SolarTogether program. You can be in both, if --
16 if you desire. We -- we've set it up that way and
17 we hope that some customers do.

18 COMMISSIONER BROWN: And -- and I know we
19 approved a -- in 2018, we approved an extension of
20 the program, SolarNow, so that you could evaluate
21 the impacts on SolarTogether. So, do you have any
22 preliminary results from that 2018 period of the
23 impact to the solar -- the overall solar program?

24 MR. VALLE: We do. I -- we have one key data
25 point and -- and I think it's been the subject of a

1 lot of debate on our team. And this is what we
2 want to see proved out, but on the FPL
3 SolarTogether program, we have been out talking to
4 customers, electronically through e-mail, and asked
5 them, if they're interested in it, to please
6 provide their e-mail address and we'll continue to
7 communicate with them over time.

8 So, right now, there's approximately 100,000
9 customers that are interested. And this is
10 residential small business in the FPL SolarTogether
11 program. Only 5 percent of those customers are
12 enrolled right now in SolarNow program, which is
13 kind of a surprisingly-small number given that you
14 would think, in both programs, you have a segment
15 of customers that are really interested in solar.

16 So, that would suggest that maybe
17 SolarTogether will not significantly impact
18 attrition in the SolarNow program.

19 COMMISSIONER BROWN: That was very -- a good
20 point to -- to share with us. Thank you.

21 I don't have any other questions.

22 CHAIRMAN GRAHAM: Commissioner Polmann.

23 COMMISSIONER POLMANN: Thank you,

24 Mr. Chairman.

25 The program was originally approved as a pilot

1 in 2014, for three years, and has been granted two
2 additional one-year extensions. So, now we're at
3 the pilot program at five years.

4 There's some -- some history, some interest
5 in -- in this Commission to not have pilot programs
6 continue with indefinite extensions. So, can you
7 give me some hint on how you see it in the long-
8 term, this program playing out?

9 MR. VALLE: Sure. And this is subject to us
10 doing the full evaluations. We see kind of the
11 impact from SolarTogether and -- and whether or not
12 that program, obviously, gets approved.

13 I think I share the same view that it was a
14 pilot program. It was created before my time
15 on the -- on the team. And I think when it was
16 initially filed, the high-end case was seven to
17 13,000 people would be in this program.

18 With 55,000 people in this program, it's
19 become something entirely altogether. And I think
20 that's why, in the last couple of years, we've
21 wanted to watch it grow, try to understand it more
22 because there's clearly customer interest. And as
23 customers have been leaving, that's the number who
24 are actively in there. That's not to say that we
25 haven't had, you know, an approximate 70,000

1 customers who have enrolled, at some period of time
2 in the program.

3 All that being said, I could see us coming
4 back next year and trying to establish the program
5 on kind of a glide path. I don't think it's -- I
6 don't think it stands forever. I think it is
7 serving a very important role right now for
8 education and awareness.

9 The solar structures that we've built all over
10 the system are seen by 50 million people a year.
11 And we have built up quite a -- a series of
12 websites and events. And so, we're really trying
13 to get out and actively engage the community.

14 I would imagine, at some point in the future,
15 that is less important than it was in 2014 or than
16 it is today to kind of communicate to customers the
17 importance of solar and what we're doing, you know,
18 bigger picture on the system.

19 COMMISSIONER POLMANN: Okay. I appreciate
20 what you said. I -- I particularly enjoy your
21 response because I use it myself, the -- kind of
22 the notion that, I didn't do it, I wasn't here,
23 it's not my fault.

24 (Laughter.)

25 MR. VALLE: I fully own the results of the

1 program.

2 So, I think it's become something different
3 than we expected.

4 COMMISSIONER POLMANN: Yeah, and -- and -- but
5 I don't see in your response the notion that
6 there's an end to the program and -- and maybe what
7 I see in your response is that the program
8 continues to evolve in the sense that it's becoming
9 bigger than was anticipated.

10 And it's not that I don't support the
11 extension. I'm -- I'm wondering if it's -- if, in
12 fact, it's becoming something parallel to
13 SolarTogether, if it's -- if, in -- if, in fact,
14 it's going to serve an alternative purpose than
15 what you anticipated or -- my real question -- is
16 this going to be become a permanent program of some
17 type? Do you see that now? Are you going to
18 examine that in the coming year?

19 As I said, it's not that I don't support this.
20 I -- I'm just trying to look for some kind of a --

21 MR. VALLE: Uh-huh.

22 COMMISSIONER POLMANN: Can you commit to doing
23 anything in the coming year that you can come back
24 next year and say, okay, well, this is the end
25 game.

1 MR. VALLE: Sure.

2 COMMISSIONER POLMANN: And I understand you're
3 not committing to that now, even in your answer.
4 I'm -- I'm trying to urge you to do that.

5 MR. VALLE: Yeah, and -- and I'll -- I'll be
6 more clear with the responses.

7 So, we do want to evaluate -- and I think it's
8 important -- if SolarTogether gets approved and
9 what the impact is.

10 COMMISSIONER POLMANN: Thank you.

11 MR. VALLE: From where I sit today, I do -- I
12 use the word "glide path." I do think, at some
13 point, the SolarNow program sunsets, right, and I
14 think we need to -- we need to do more analysis on
15 what that looks like and how do we do that because
16 the -- maybe the education-and-awareness component
17 about solar doesn't need to be there in 20 years,
18 right, but maybe for the next five years, it -- it
19 would. So, I do see that in the future.

20 I also see it as complementary. So, SolarNow
21 is about education, awareness, telling the story,
22 putting visible solar in locations where people go
23 and live in public places to try to provide some
24 benefit. SolarTogether -- but there's no bill
25 credit, right.

1 But SolarTogether is about an individual or a
2 business or a municipality going a hundred percent
3 solar and, over time, earning credits that would
4 offset charges, right. So, direct bill benefit,
5 but it's not -- it's not kind of out there as
6 visibly in the community. So, I think they can be
7 positioned side by side, but I think it's a fair
8 question about how long SolarNow goes.

9 But every time we look at sunseting it and
10 think -- you have these discussions about, is --
11 should we extend it another year, what should we do
12 with this program, we keep taking people in.

13 So, we want to be respectful that there's an
14 entire football stadium-worth of people that are in
15 this program that are happy, that are showing up to
16 events, that -- that are taking advantage of host
17 sites, discounts for different activities that are
18 going on. So, there is something there. And we've
19 been learning a lot about that over the last year.

20 So, I think they can be placed side by side,
21 but I -- I'm not sure if SolarNow will run as long
22 as SolarTogether will.

23 COMMISSIONER POLMANN: And I appreciate
24 that -- that clarification.

25 I -- I think what I'm seeking is exactly what

1 you've identified is the complementary aspect of --
2 of this, the true public education, and the further
3 definition for -- for staff to understand and --
4 and for, perhaps, FPL to present to us, the
5 comprehensive education program, how all of that
6 fits together because the Commission does support
7 solar in the sense of -- of the public benefit and
8 the greater statewide effort to see that reach the
9 broadest public audience that it can. We see that
10 in the future of -- of Florida as adding the
11 alternative source.

12 So, I do support this. I want to see it move
13 forward, but I -- but I'd like to see it all come
14 together for -- for its -- its full public benefit.
15 I think you're doing great work, but I want to see
16 how it all fits together.

17 So, with that, Mr. Chairman, I'll -- I'll step
18 back, see if there's other questions. Thank you.

19 CHAIRMAN GRAHAM: I agree with Commissioner
20 Polmann. I liked this program when I first heard
21 it was announced. I still like the program. As
22 people heard me say, solar is sexy. People love
23 solar. People want to be involved. And this is --
24 gave people the ability to be involved. They feel
25 good about themselves for being involved in solar.

1 And so, it sounds like it's kind of building
2 on itself and getting a life of its own. And I
3 think that -- that's success.

4 Commissioner Brown.

5 COMMISSIONER BROWN: Just a follow-up, I
6 wasn't really going to get into more specific
7 questions on SolarTogether since we're going to
8 talk about that in January, but are you in charge
9 of that?

10 MR. VALLE: Yes. I'm one of the witnesses.

11 COMMISSIONER BROWN: Oh, great. Well, we'll
12 ask -- I'll -- I'll save my questions in January,
13 then.

14 CHAIRMAN GRAHAM: Commissioner Clark.

15 COMMISSIONER CLARK: I wasn't going to ask you
16 either, but you brought up a couple of points and
17 I -- I -- just kind of sparked a couple of
18 questions that I have.

19 First of all, I -- I am an advocate. I like
20 the pro- -- program. I like the concept of
21 voluntary participation, but in looking at it --
22 and I do think that it is a -- I think it's a
23 program that would run parallel with SolarTogether.
24 I think that you have -- they're two different
25 offerings. They're two very distinct types of

1 programs.

2 But one of the things that interests me is you
3 mentioned your success rate in the program. And it
4 looks like you had about a total of 1 percent
5 penetration of your total market that have
6 subscribed to the program, that are currently
7 subscribing to the program; yet, you said you had
8 had close to 70,000 subscribers in total, meaning
9 that 20,000 of those subscribers over a four-year
10 period have dropped out of the program.

11 That's kind of a -- that's a 30-percent churn.
12 I mean, that's -- that's a pretty large number of
13 customers who initially went in that decided, at
14 some point in time, they were no longer wanting to
15 participate.

16 Did I understand that correctly? My question
17 would be: Why are they leaving? What did they see
18 in the program that they didn't like, and are there
19 adjustments that are being made to say, hey, here's
20 how we're going to fix this so that we can retain
21 customers?

22 MR. VALLE: Sure. To be clear, I -- that's an
23 estimate.

24 COMMISSIONER CLARK: Sure.

25 MR. VALLE: We haven't done the calculation,

1 but I -- I'm going back five years and -- you know,
2 we see a 1-percent monthly churn. That -- and
3 that's an average. It -- it goes up in the summer.
4 So, when bills are higher in the summer, customers
5 take a harder look at their bills and say, that
6 \$9-a-month charge on SolarNow -- maybe I can, you
7 know, not do that program for a while. So, we've
8 seen some churn there.

9 I think another thing that we've learned over
10 time -- we've been building these out. The way the
11 program grew, we took a lot of customers in
12 rapidly, and then we had to go out and build, and
13 we wanted to put solar in communities where pockets
14 of these customers are showing up. So, for some,
15 it took us a while before we could get things
16 permitted and constructed in their areas, so maybe
17 they didn't see the tangible impact.

18 I think we're much better now at telling the
19 story, getting people out, and engaging them. So,
20 that's what our focus has been, both with the
21 website, social media, and then the -- the physical
22 assets with the host sites, trying to make it a
23 community where they do feel engaged and have a
24 reason to stay in.

25 It's not just join the program, help build a

1 solar tree in your local park and then you leave,
2 but now we want it to be about, when the local park
3 has an event, you get invited to it or maybe
4 there's a discount or you're made aware of that, or
5 we've done a lot with science museums and zoos,
6 too, the Bright Line Train.

7 So, we're trying to build that community and
8 make it stick year over time, and I think we've
9 gotten better at it. And that's really been a lot
10 of the focus in the last year.

11 COMMISSIONER CLARK: So -- so, you would
12 describe that the -- the reason that you think that
13 you've lost some of those customers was the
14 inability to build the systems out and -- and them
15 seeing that tangible benefit in their own community
16 quickly?

17 MR. VALLE: I -- I think that was some. I
18 think the three reasons I outlined: Summer
19 bills -- people just take a closer look at any
20 charge on there; that gap where we had a lot of
21 customers, and it took us several months to get
22 projects into their communities -- now, they are.
23 In almost every instance -- we're building our last
24 ones in Miami of kind of that first wave.

25 And then this engagement piece, which, you

1 know, frankly, as utilities, we don't often do
2 this. So, we have built out a lot of expertise in
3 finding ways to engage them in channels that, I
4 think, will be beneficial for us, for other
5 programs, such as SolarTogether, in the future.

6 COMMISSIONER CLARK: Thank you.

7 CHAIRMAN GRAHAM: Commissioner Clark, was that
8 a motion?

9 COMMISSIONER CLARK: That was a motion,
10 Mr. Chairman. Move approval.

11 COMMISSIONER BROWN: Second.

12 CHAIRMAN GRAHAM: It's been moved and second,
13 staff recommendation on Item No. 6. Any further
14 discussion?

15 Seeing none, all in favor, say aye.

16 (Chorus of ayes.)

17 CHAIRMAN GRAHAM: Any opposed?

18 By your action, you have approved that motion.

19 Thank you very much.

20 (Agenda item concluded.)

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CERTIFICATE OF REPORTER

STATE OF FLORIDA)
COUNTY OF LEON)

I, ANDREA KOMARIDIS WRAY, Court Reporter, do hereby certify that the foregoing proceeding was heard at the time and place herein stated.

IT IS FURTHER CERTIFIED that I stenographically reported the said proceedings; that the same has been transcribed under my direct supervision; and that this transcript constitutes a true transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative, employee, attorney or counsel of any of the parties, nor am I a relative or employee of any of the parties' attorney or counsel connected with the action, nor am I financially interested in the action.

DATED THIS 19th day of December, 2019.



ANDREA KOMARIDIS WRAY
NOTARY PUBLIC
COMMISSION #GG365545
EXPIRES February 9, 2021