

2011 Department of Energy Pre-Summit Workshop—Sept. 26 at UF

September closed with a workshop on Florida's clean energy supply chain, co-hosted by the Florida Energy System Consortium and the U.S. Department of Energy's Office of Energy Efficiency and Renewable Energy (EERE). The workshop brought together a variety of stakeholders from around Florida, including Tim Tangredi, CEO of Dais Analytic, and Scott Faris, CEO of Planar Energy, as well as some of the FESC's Industry Advisory Board members. Opening remarks were given by Dr. Tim Anderson of FESC, Dr. Henry Kelly of EERE. Keynote speaker, Agriculture Commissioner Adam Putnam,



Commissioner Adam Putnam

gave a presentation during lunch. The workshop participants represented a cross-section of Florida's clean energy industry, from academic research to large-scale manufacturing and local start-ups to multinational companies with a global footprint.

Despite the variety of attendees, some common themes emerged around Florida's strengths and potential in the clean energy industry. As noted first by Dr. Anderson, biomass and solar resources in Florida are abundant and ocean, wind, and other renewable sources also have the potential to diversify Florida's energy supply. Additionally, Florida has a talented workforce that is well-positioned to gain a competitive advantage in the efficiency and renewables markets; especially by transitioning from the space and construction industries. Furthermore, Florida is an energy intensive state with a large projected population growth, so electricity demand will encourage investments in efficiency and support investments in renewable electricity.

Beyond Florida's strengths in the industry, another common theme was the difference in timeframes for the useful life of energy infrastructure, political cycles, and financial returns for investors. This difference in timing has a significant impact on the support for new energy technology. Related to this, another common theme was the acknowledgement that legal and regulatory certainty is fundamental to permit and promote the adoption of new energy technology. Finally, many participants recognized the importance of local government leadership supporting business and human capital development in their communities.

The participants also noted some common challenges as potential action items for the industry. Many participants noted the need for workforce training, both to counter the "graying" of the utility industry and to match the "greening" of the energy industry as a whole, as well as to facilitate the transition of talent from construction and other industries. Working together to produce "a hit" in energy technology that catalyzes investment in Florida and overcome the time-scale problem between finance and energy infrastructure was also noted.

A few legal and policy suggestions emerged from the workshop as well. One suggestion was to adjust the avoided cost calculation used under §366.051 F.S. to more fully account for the value to ratepayers created by different fuel types, consistent with FERC's October 21, 2010, Order, "Order Granting Clarification and Dismissing Rehearing," 133 FERC 61,059, Dockets EL10-64-001 and EL10-66-001. Another suggestion was to update the definition of utility under §366.02 F.S. to account for new technology that makes distributed generation possible by adding similar exceptions for renewables as those for natural gas. Additionally, establishing a "renewables



reinvestment" target for Florida's investor-owned utilities that requires or allows them to reinvest a modest percentage of their profits into renewable energy in Florida and developing statewide building efficiency benchmarking standards to complement building code compliance efforts were also mentioned as possible solutions to challenges in Florida's clean energy industry.