

# Corporate Renewable Energy Procurement Pathways in the Southeast: **FLORIDA**

**Many corporations, higher education institutions, and municipalities use off-site renewable energy purchasing to meet ambitious renewable energy goals. Limited off-site renewable projects in the Southeastern United States may not be a function of limited corporate interest, but rather may reflect regulatory and market barriers. This report summarizes the status of off-site renewable procurement in Florida, highlighting the potential for market expansion.**

To understand the potential for renewable procurement in the Southeast, NREL gathered and estimated data from corporations, cities, and higher education institutions with renewable energy commitments. We pair this with data on existing renewable energy supply options (Figure 1). A summary of purchasing pathways in the state and their contracted capacity is found in Table 1.

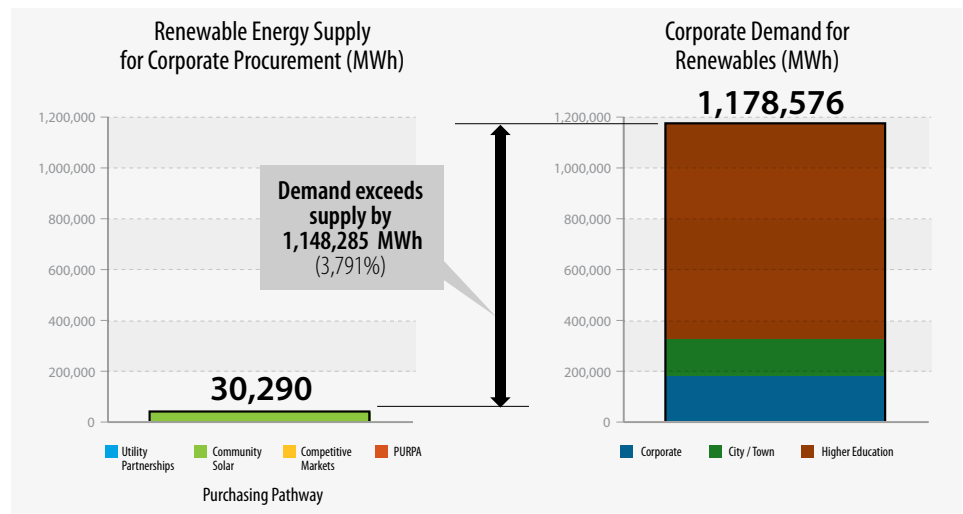


Figure 1. Corporate renewable energy supply and demand

In Florida, our sample of demand for renewables exceeds supply dramatically, by 1.14 million megawatt hours (MWh), or 3,791%. Most of the demand in Florida is coming from the higher education segment.

## Utility Partnerships

To date, corporate customers have not procured renewable energy capacity through green tariff programs or bilateral agreements with Florida’s utilities, with the exception of contracts between Gulf Power and the Department of Defense.

## Community Solar

23.8 megawatts (MW) of community solar capacity has been deployed in Florida. The City of Tallahassee launched a 20 MW community solar program in 2018, which was open to corporate customers. Although this program has been fully subscribed, the City of Tallahassee plans to deploy a second 40 MW program in 2019. Most remaining capacity is operated by electric cooperatives. REC ownership across Florida's community solar programs is not clear.

## Competitive Markets

Retail choice programs and wholesale market access are not available in Florida. While corporates with Florida sites have the option to pursue off-site power purchase agreements (PPAs) in states with competitive wholesale markets, potential for energy price hedging is limited due to distance between load and generation.

## PURPA

Florida has the second-highest capacity of qualifying facilities allowed under the federal Public Utility Regulatory Policies Act (PURPA) in the Southeast, following North Carolina. However, no PURPA capacity is

directly owned by corporations with renewable energy objectives. Florida Power and Light compensates qualifying facilities at avoided-cost rates that vary by region and are determined using the peaker method. Attracting PURPA project financing remains difficult due to limited access to long-term contracts and exposure to energy price market volatility.

## Market Outlook

Options for corporate renewable energy procurement in Florida are limited. Subscription to community solar projects may be the most viable option for corporations to pursue renewable energy objectives. For example, the City of Tallahassee is planning a new 20 MW project, and additional opportunities may exist across the state with other utilities. Community solar programs may or may not allow corporate subscribers to own renewable energy certificates (RECs), and some programs may limit subscriptions.

Pathway	Deployed Capacity (MW)	Key Considerations
Utility Partnerships	0	<ul style="list-style-type: none"><li>No green tariff programs or bilateral agreements to date, although these pathways are possible</li></ul>
Community Solar	16	<ul style="list-style-type: none"><li>Small project size and unclear REC treatment</li><li>At least 40 MW of planned capacity additions</li></ul>
Competitive Markets	0	<ul style="list-style-type: none"><li>No retail choice</li><li>Long distance to competitive market regions, limiting energy price hedging potential of off-site PPAs</li></ul>
PURPA	0	<ul style="list-style-type: none"><li>Policy in place, but contract terms are not specified</li><li>No corporate ownership of QFs</li></ul>

Table 1. Deployed capacity and key considerations for corporate procurement

Heeter, Jenny; Cook, Jeffrey J.; and Jenny Sauer. 2018. *Existing and Potential Corporate Off-site Renewable Procurement in the Southeast*. Golden, CO: National Renewable Energy Laboratory, NREL/TP-6A20-72003. <https://www.nrel.gov/docs/fy18osti/72003.pdf>.