

# AUSLEY & MCMULLEN

ATTORNEYS AND COUNSELORS AT LAW

227 SOUTH CALHOUN STREET  
P.O. BOX 391 (ZIP 32302)  
TALLAHASSEE, FLORIDA 32301  
(850) 224-9115 FAX (850) 222-7560

October 12, 2006

HAND DELIVERED

060678-E1

Ms. Blanca S. Bayo, Director  
Division of Commission Clerk  
and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Re: Petition by Tampa Electric Company for Approval  
to Make Renewable Energy Pilot Program Permanent

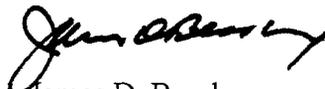
Dear Ms. Bayo:

Enclosed for filing in the above-styled matter are the original and fifteen (15) copies of Tampa Electric Company's Petition for Approval to Make Renewable Energy Pilot Program Permanent.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning same to this writer.

Thank you for your assistance in connection with this matter.

Sincerely,

  
James D. Beasley

JDB/pp  
Enclosure

DOCUMENT NUMBER-DATE

09491 OCT 12 06

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Tampa Electric )  
Company for Approval to Make )  
Renewable Energy Pilot Program )  
Permanent )  
\_\_\_\_\_ )

DOCKET NO. \_\_\_\_\_  
Filed: October 12, 2006

**PETITION BY TAMPA ELECTRIC COMPANY FOR APPROVAL TO MAKE  
RENEWABLE ENERGY PILOT PROGRAM PERMANENT**

Tampa Electric Company (“Tampa Electric” or “the company”) pursuant to Section 366.075, Florida Statutes, and Rule 25-17.015 (4) and (5), Florida Administrative Code, files this petition with the Florida Public Service Commission (“the Commission”) for approval of the transition of the company’s pilot formerly known as green energy rate rider (“GE rate rider”) to a full-time program now known as the company’s Renewable Energy Program and in support thereof states:

1. The name, address and telephone number of the petitioner are as follows:

Tampa Electric Company  
Post Office Box 111  
Tampa, FL 33601  
(813) 228-4111  
(813) 228-1770 (fax)

2. Tampa Electric requests that copies of all pleadings, orders, notices and other documents submitted in this proceeding be furnished to the following:

Brenda Irizarry  
Coordinator, Regulatory Affairs  
Tampa Electric Company  
Post Office Box 111  
Tampa, FL 33601  
(813) 228-1934  
(813) 228-1770 (fax)

Lee L. Willis  
James D. Beasley  
Ausley & McMullen  
Post Office Box 391  
Tallahassee, FL 32302  
(850) 224-9115  
(850) 222-7952 (fax)

3. In this petition, Tampa Electric seeks approval to (a) move the company's existing pilot Green Energy Program and GE rate rider to a permanent renewable energy program starting January 1, 2007, (b) approve Third Revised Sheet No. 6.400 Renewable Energy Rider, which is attached in standard and legislative format, (c) allow Tampa Electric to defer excess revenues collected under the GE rate rider as a regulatory liability and re-invest the excess revenues in the Renewable Energy Program after any prior under-recoveries of Renewable Power Program expenses have been returned to customers with interest through the Energy Conservation Cost Recovery ("ECCR") true-up process and (d) increase the energy block size purchase from 100 to 200 kWh. This proposed transition to a permanent program will continue to provide Tampa Electric's residential, commercial and industrial customers with an opportunity to purchase blocks of renewable, environmentally-friendly energy from a portfolio of green energy sources.

### **Background**

4. In Order No. PSC-00-1741-TRF-EI, issued in Docket No. 000697-EI, on September 25, 2000, the Commission approved the company's pilot green energy program and green energy tariff through December 31, 2003. Subsequent to Commission approval, Tampa Electric mobilized its initial offering to customers and began incurring expenses on November 1, 2000. The original pilot program was structured to provide customers the option to purchase 50 kWh blocks of renewable energy at five dollars per block with a maximum limit of five blocks per customer. A subsequent modification to the program occurred in Docket No. 010423-EI, Order No. PSC-01-1238-TRF-EI, issued June 4, 2001 which eliminated the purchase limit of five blocks per customer.

5. Customer participation during this period was less than anticipated. Tampa Electric's original projection of participants was based on national data from the National Renewable Energy Laboratory that indicated one to two percent of the customer base would be willing to pay an incremental five dollars per month to support a green energy program. That participation level was not achieved during this period; however, there remained a customer segment, including commercial customers that understood the merits of the program and would be willing to participate in such a program provided that the pricing on a cents per kWh basis were more economical. In order to encourage program participation and viability, the company proposed a three-year extension of the pilot program through December 31, 2006 and a doubling of the energy block size from 50 to 100 kWh without increasing the five dollar block price, thereby reducing the cents per kWh price by half to five cents per kWh. Order No. PSC-04-0386-TRF-EI in Docket No. 030959-EI, issued April 8, 2004, approved the modified rate structure and the pilot extension with the proviso that the company provide bi-annual reports to the Commission regarding the progress of the program.

6. Renewable energy resources used to support the program are located within the company's service area and throughout the state thereby delivering the environmental benefits to the State of Florida. The company-owned renewable energy resources include solar energy from two photovoltaic ("PV") generating facilities and a micro-turbine fueled by landfill gas. A third PV installation funded by the current pilot program is to be installed at the company's Manatee Viewing Center. In addition, program growth has reached a level that requires the company to supplement its self-generated renewable energy with incremental purchases from a biomass facility in south Florida.

7. Tampa Electric recognizes that additional renewable generation will be necessary in the future; therefore, the company will continue to investigate cost-effective methods of providing such energy through system generation and available off-system incremental purchases.

8. Through modifications in marketing techniques, customer participation through the extension of the pilot has been greater than anticipated and the company exceeded its original goal of 760 new blocks of energy purchased by 249 percent. Through September 2006, there were 1,402 participating customers purchasing 1,890 blocks of renewable energy every month. Tampa Electric projects that it can maintain its renewable program activities and continue to grow the program using the revenues generated by participants and without any dollars being supplemented by the ECCR clause.

### **Proposal**

9. As a result of the program's success in the last three years, Tampa Electric is requesting that the pilot green energy program transition to a permanent program funded by the revenues from its participants. Revenues will be directed toward program administration, marketing and communication efforts to grow customer participation, continued education of customers on the attributes of renewable energy and investigation the potential of new renewable resources. Tampa Electric requests permission to continue to report all Renewable Energy Program expenses and revenues through the company's ECCR clause and allow Tampa Electric to defer excess revenues collected under the GE rate rider as a regulatory liability and re-invest the excess revenues in the Renewable Energy Program after any prior under-recoveries of Renewable Power Program expenses have been returned to customers with interest through the

ECCR true-up process. In addition, Tampa Electric requests that, when necessary, the company have the ability to recover reasonable expenditures in excess of revenues for the program through the ECCR clause due to the connection with renewable energy and The Florida Energy Efficiency and Conservation Act which encourages the development of renewable energy.

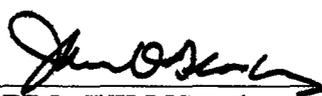
10. Tampa Electric also requests approval to modify the existing structure of the renewable energy block size and price. The company is proposing to increase the block size from 100 to 200 kWh for five dollars per block. The company believes it can achieve the overall reduction in the cents per kWh price by increasing the amount of low-cost biomass energy in the program's total renewable energy mix. This reduces the effective cost to two and a half cents per kWh and puts the rate more in line with the national average rate for such programs. The requested rate modification will apply to both new and existing program participants.

11. Permanent program status and a change in the size of the renewable energy block available for purchase are the only modifications sought by Tampa Electric at this time. Tampa Electric seeks to have all other components of the pilot green energy program previously approved by the Commission remain in place. By this petition, Tampa Electric is seeking approval to continue the renewable energy program for current program subscribers and to secure additional participants among all customer classes.

WHEREFORE, Tampa Electric respectfully requests the Commission to grant approval of this permanent transition of the company's pilot green energy rate rider and pilot program based on customer participation and cost recovery having been satisfactorily achieved. It is further requested that the effective date of the transition be January 1, 2007 so as to maintain continuity for the customers currently participating in the program.

DATED this 12<sup>th</sup> day of October, 2006.

Respectfully submitted,



---

LEE L. WILLIS and  
JAMES D. BEASLEY  
Ausley & McMullen  
Post Office Box 391  
Tallahassee, FL 32302  
(850) 224-9115

ATTORNEYS FOR TAMPA ELECTRIC  
COMPANY

**Tampa Electric Company**  
**Exhibit A**  
**Proposed Tariff Sheet – Standard Format**

**RENEWABLE ENERGY PROGRAM****(OPTIONAL)****SCHEDULE: RE****RATE CODE: 910****AVAILABLE:** To all customers served throughout the Company's service area.**APPLICABLE:** Applicable, upon request, to all customers in conjunction with all standard rates. Customer billing will start on the next billing cycle following receipt of the service request.**CHARACTER OF SERVICE:** Renewable Energy Rider customers will be served from the existing electrical system. Customers may purchase 200 kWh blocks of renewable energy produced at or purchased from photovoltaic facilities, facilities utilizing biomass fuel, and/or specifically delivered from other clean, renewable energy sources. The renewable energy may not be delivered to the customer, but will displace energy that would have otherwise been produced from traditional fossil fuels.**LIMITATION OF SERVICE:** Customers requesting service under the rider will be accepted on a first-come first-served basis subject to availability of renewable energy. If additional renewable energy is not available, customers requesting service under the optional rider may request to be put on a waiting list until additional renewable energy can be secured to serve request.**MONTHLY RATE:** \$5.00 per 200 kWh premium in addition to charges applied under otherwise applicable rate schedules.**TERM OF SERVICE:** Service under the RE rider shall be for a term of one (1) year and may be terminated by the customer with two (2) months notice. Such two months notice to terminate can be given at any time following the tenth month of service. After completion of the initial 12-month term, service will be provided thereafter on a month-to-month basis. Changes in the number of blocks purchased will not initiate a new term of service nor be counted as a termination of service.**ISSUED BY:** C. R. Black, President**DATE EFFECTIVE:**

**Tampa Electric Company**  
**Exhibit B**  
**Proposed Tariff Sheet – Legislative Format**

**RENEWABLE ENERGY GREEN ENERGY RIDER - PILOT PROGRAM**

(OPTIONAL)

**SCHEDULE:** RE-GE**RATE CODE:** 910

**AVAILABLE:** To all customers served throughout the Company's service area. Pilot Program available until December 31, 2006.

**APPLICABLE:** Applicable, upon request, to all customers in conjunction with all standard rates. Customer billing will start on the next billing cycle following receipt of the service request.

**CHARACTER OF SERVICE:** Renewable Green-Energy Rider customers will be served from the existing electrical system. Customers may purchase 200 400 kWh blocks of renewable green-energy produced at or purchased from photovoltaic facilities, facilities utilizing biomass fuel, and/or specifically delivered from other clean, renewable energy sources. The renewable green-energy may not be delivered to the customer, but will displace energy that would have otherwise been produced from traditional fossil fuels.

**LIMITATION OF SERVICE:** Customers requesting service under the rider will be accepted on a first-come first-served basis subject to availability of renewable green-energy. If additional renewable green-energy is not available, customers requesting service under the optional rider may request to be put on a waiting list until additional renewable green-energy can be secured to serve request.

**MONTHLY RATE:** \$5.00 per 200 400 kWh premium in addition to charges applied under otherwise applicable rate schedules.

**TERM OF SERVICE:** Service under the RE-GE rider shall be for a term of one (1) year and may be terminated by the customer with two (2) months notice. Such two months notice to terminate can be given at any time following the tenth month of service. After completion of the initial 12-month term, service will be provided thereafter on a month-to-month basis. Changes in the number of blocks purchased will not initiate a new term of service nor be counted as a termination of service.

**ISSUED BY:** C. R. Black W. N. Gantrell, President**DATE EFFECTIVE:** January 1, 2004