

State of Florida



# Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

## -M-E-M-O-R-A-N-D-U-M-

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13 FEB 21 AM 10:22  
COMMISSION  
CLERK

**DATE:** February 21, 2013

**TO:** Office of Commission Clerk (Cole)

**FROM:** Division of Economics (Garl, Rome, Draper)  
Office of the General Counsel (Lawson)  
Division of Engineering (Dawkins)

*EJD*  
*GR*  
*RD*  
*JWD*  
*JSC*  
*PV*  
*WD*

**RE:** Docket No. 130019-EI – Petition for approval of revised lighting tariffs by Tampa Electric Company.

**AGENDA:** 03/05/13 – Regular Agenda – Tariff Filing – Interested Persons May Participate

**COMMISSIONERS ASSIGNED:** All Commissioners

**PREHEARING OFFICER:** Administrative

**CRITICAL DATES:** 03/12/13 (60-Day Suspension Date)

**SPECIAL INSTRUCTIONS:** None

**FILE NAME AND LOCATION:** S:\PSC\ECO\WP\130019.RCM.DOC

### Case Background

Tampa Electric Company (TECO or company) began investigating light-emitting diode (LED) outdoor lighting approximately five years ago. At that time TECO found LED fixtures cost as much as ten times more than equivalent high pressure sodium fixtures which are currently the company's most energy efficient lighting options. In addition, there were no standards for manufacturers and no data on reliability or operation and maintenance costs of LED fixtures.

Approximately three years ago, TECO installed several LED fixtures at company facilities and began evaluating them. TECO reports that there have been significant improvements in LED technology over this relatively short period of time, particularly in equipment uniformity and cost reduction. The company is now prepared to offer LED lighting

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service to customers under its lighting tariff and has identified several LED fixtures that satisfy the company's performance expectations.

On January 11, 2013, TECO filed a petition requesting Commission approval of its new lighting tariff for eight LED lighting fixtures for roadway and outdoor lighting. TECO submitted revised filings that included minor corrections on January 28 and February 4, 2013. The Commission has jurisdiction over this matter pursuant to Section 366.06(1), Florida Statutes.

### Discussion of Issues

**Issue 1:** Should the Commission approve TECO's proposed new tariff for LED fixtures, maintenance, and base energy charges?

**Recommendation:** Yes. The Commission should approve TECO's proposed new tariff for LED fixtures, maintenance, and base energy charges. (Garl, Rome, Draper)

**Staff Analysis:** TECO petitioned the Commission for approval to add a new LED lighting category to its rate schedule Lighting Service (LS-1). The LED lighting category will be a standard tariff which offers TECO's customers a selection of lower energy use outdoor lighting products. The proposed fixtures will be available in three styles and multiple wattages. TECO has indicated that the LED options are approximately 50 percent more efficient than equivalent metal halide lighting options currently offered under the LS-1 rate schedule. The proposed Tariff Sheet No. 6.808 is shown as Attachment A.

The charges for the new LED lighting category are comprised of three components: a fixture charge, a maintenance charge, and a non-fuel energy charge, consistent with TECO's other lighting options. The fixture charges were developed based on material costs plus labor and vehicle costs associated with installation, times TECO's 14.56 percent 15-year fixed charge rate. The maintenance charges were developed based on TECO's estimated maintenance costs by fixture type; primary elements of expected maintenance costs pertain to the luminaire unit, luminaire parts, and the photo cell. The non-fuel energy charge is determined by multiplying the estimated kilowatt-hour (kWh) usage by fixture type by the non-fuel energy charge as approved in TECO's most recent rate proceeding.<sup>1</sup> TECO's currently approved non-fuel energy charge is 2.462 cents per kWh. All other Commission-approved LS-1 recovery clause factors will be applied to the estimated usage.

In conjunction with its petition TECO submitted supporting cost information that included a presentation of the following: individual tariff calculations; installation, maintenance, labor and vehicle costs; calculation of the fixed charge rate; overhead cost factors; and monthly energy consumption charges. Staff has reviewed the cost information submitted with TECO's petition and believes the charges are reasonable and appropriate. Staff recommends that TECO's proposed new tariff for LED fixtures, maintenance, and base energy charges be approved.

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<sup>1</sup> See Order No. PSC-10-0572-FOF-EI, issued September 16, 2010, in Docket No. 090368-EI, In re: Review of the continuing need and costs associated with Tampa Electric Company's 5 Combustion Turbines and Big Bend Rail Facility.

**Issue 2:** Should this docket be closed?

**Recommendation:** Yes. If Issue 1 is approved, the tariffs should become effective on March 5, 2013. If a protest is filed within 21 days of the issuance of the order, the tariffs should remain in effect, with any revenues held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order. (Lawson)

**Staff Analysis:** If Issue 1 is approved, the tariffs should become effective on March 5, 2013. If a protest is filed within 21 days of the issuance of the order, the tariffs should remain in effect, with any revenues held subject to refund, pending resolution of the protest. If no timely protest is filed, this docket should be closed upon the issuance of a consummating order.



ORIGINAL SHEET NO. 6.808

Continued from Sheet No. 6.806

**MONTHLY RATE:**

LED Fixture, Maintenance, and Base Energy Charges:

Rate Code		Description	Lamp Size				Charges per Unit (\$)			
Dusk to Dawn	Timed Svc.		Initial Lumens <sup>1</sup>	Lamp Wattage <sup>1</sup>	kWh		Fixture	Maint.	Non-Fuel Base Energy	
					Dusk to Dawn	Timed Svc.			Dusk to Dawn	Timed Svc.
820	840	Roadway	7,577	103	36	18	10.06	0.61	0.89	0.44
821	841	Roadway	8,300	106	37	19	10.06	0.61	0.91	0.47
822	842	Roadway	15,300	196	69	34	13.16	0.66	1.70	0.84
823	843	Roadway	14,831	206	72	36	15.16	0.70	1.77	0.89
824	844	Post Top	3,674	67	24	12	17.81	0.80	0.59	0.30
825	845	Post Top	6,030	99	35	17	18.57	0.82	0.86	0.42
826	846	Area-Lighter	13,620	202	71	36	17.24	0.73	1.75	0.86
827	847	Area-Lighter	21,197	309	108	54	18.59	0.76	2.66	1.33

Continued to Sheet No. 6.810

ISSUED BY: G. L. Gillette, President

DATE EFFECTIVE: