BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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| In re: Petition for approval of modifications to rate schedule LS-1, lighting service, by Duke Energy Florida, LLC. | DOCKET NO. 20190023-EI  ORDER NO. PSC-2019-0100-TRF-EI  ISSUED: March 13, 2019 |

The following Commissioners participated in the disposition of this matter:

ART GRAHAM, Chairman

JULIE I. BROWN

DONALD J. POLMANN

GARY F. CLARK

ANDREW GILES FAY

ORDER APPROVING DUKE ENERGY FLORIDA, LLC’S

LS-1 RATE SCHEDULE MODIFICATIONS

BY THE COMMISSION:

Background

On January 17, 2019, Duke Energy Florida, LLC (DEF or utility), filed a petition for approval of modifications to its Lighting Service (LS-1) rate schedule. Specifically, DEF proposed to close the metal halide and sodium vapor fixture options for new installations, add new Light Emitting Diode (LED) fixtures, and add new pole options. The tariff sheets approved herein are included as Attachment 1.

On February 8, 2019, DEF responded to Commission staff’s first data request. We have jurisdiction over this matter pursuant to Section 366.06, Florida Statutes.

Decision

DEF’s LS-1 rate schedule is available to customers for the purpose of lighting roadways and other outdoor areas. DEF proposed four revisions to its LS-1 rate schedule which are discussed below.

First, DEF proposed to close the metal halide fixture options for new installations. Existing metal halide lighting customers can continue to use them until either the fixture or the ballast, or both, fails. The ballast regulates the current to the lamps and provides voltage to start the lamps. At the time of fixture or ballast failure, the metal halide fixture will be replaced with a comparable LED fixture and applicable monthly rates will apply. LED fixtures do not require a ballast to regulate the current.

DEF explained that the Energy Independence and Security Act of 2007 requires that ballasts installed in metal halide fixtures meet higher energy efficiency standards, and as of early 2017, certain metal halide lamps of certain wattages cannot contain a probe-start ballast. DEF stated that metal halide fixtures and ballasts have been gradually phased out in order to meet the Energy Independence and Security Act of 2007 guideline requirements; therefore, manufacturers no longer produce metal halide fixtures.

Second, DEF proposed to close the sodium vapor fixture options for new installations. Although the Energy Independence and Security Act of 2007 does not limit the production of ballasts for sodium vapor fixtures, manufacturers are now primarily producing LED fixtures. DEF contends that the market is moving towards higher energy efficiency lighting technology and customers also prefer LED lighting.

Existing sodium vapor lighting customers can continue to use them until the fixture fails or the damaged fixture needs repair along with the replacement of the ballast. At that time, DEF explained that it will work with the customer to find a sodium vapor fixture that matches what is currently in the neighborhood or replace the sodium vapor fixture with a comparable LED fixture. DEF stated that as manufacturers continue to transition away from sodium vapor lights towards LED fixtures, finding a matching sodium vapor fixture may become increasingly difficult.

Third, in order to expand the fixture and pole options available to customers, DEF proposed to add several new LED fixtures and pole options to its existing offerings. The proposed new fixtures and poles are shown in revised Tariff Sheet Nos. 6.2811, 6.2812, 6.282, and 6.2821.

The utility provided cost support information for the newly introduced LED fixtures and poles. The charges for the LED fixtures are comprised of three components: a fixture charge, a maintenance charge, and a non-fuel energy charge, consistent with DEF’s other lighting options. The fixture charges were developed based on material, design, labor, storage, and vehicle costs associated with the installation multiplied by the currently approved 1.59 percent fixture rental rate to determine the monthly fixture charge. The maintenance charges were developed based on DEF’s estimated maintenance cost for the components (e.g., driver, photo control, luminaire) of the fixtures. The non-fuel energy charge is determined by multiplying the estimated kilowatt-hour usage by fixture type by the currently approved non-fuel energy charge for lighting service (2.547 cents per kilowatt-hour). All other Commission-approved LS-1 recovery clause factors will be applied to the estimated usage.

The monthly pole charges were developed based on the material costs and DEF’s labor rates to install a pole multiplied by the currently approved 1.82 percent pole rental rate. The new pole types are aluminum or concrete.

Finally, DEF proposed to update Note 2 under Notes to Per Unit Charges on revised Tariff Sheet No. 6.283. The proposed revision will make the Note more applicable to LED lighting fixtures, which do not contain ballasts, and state that the wattage ratings may vary with lamp configuration.

We have reviewed the petition, data responses, and the necessary cost support information submitted by DEF, and find the charges are reasonable and appropriate. The proposed new LED fixture and pole options are cost based and expand the fixture and pole options available to customers. Closing the current metal halide and sodium vapor options to new installations allows DEF to recognize energy efficiencies and technological improvements in the lighting industry.

Given the information discussed above, we find that DEF’s modifications to its LS-1 rate schedule are reasonable and are hereby approved. The revised tariffs are effective as of March 5, 2019, the date of our vote on this matter.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Duke Energy Florida, LLC’s modifications to its LS-1 rate schedule, as discussed in the body of this Order, are approved effective March 5, 2019. It is further

ORDERED that if a protest is filed within 21 days of issuance of this Order, the revised tariffs shall remain in effect with any charges held subject to refund pending resolution of the protest. It is further

ORDERED that if no timely protest is filed, this docket shall be closed upon the issuance of a Consummating Order.

By ORDER of the Florida Public Service Commission this 13th day of March, 2019.

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|  | /s/ Adam J. Teitzman |
|  | ADAM J. TEITZMAN  Commission Clerk |

Florida Public Service Commission

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Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

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NOTICE OF FURTHER PROCEEDINGS

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The Commission's decision on these tariffs are interim in nature and will become final, unless a person whose substantial interests are affected by the proposed action files a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on April 3, 2019. In the absence of such a petition, this Order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this Order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

















