AUSLEY MCMULLEN

ATTORNEYS AND COUNSELORS AT LAW

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

March 14, 2016

VIA: ELECTRONIC FILING

Ms. Carlotta S. Stauffer Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: Petition of Tampa Electric Company to Extend on a Permanent Basis its

Economic Development Rider

Dear Ms. Stauffer:

Attached for filing in the above-styled matter is Petition of Tampa Electric Company to Extend on a Permanent Basis its Economic Development Rider.

Thank you for your assistance in connection with this matter.

Sincerely,

James D. Beasley

JDB/pp Attachment

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Tampa Electric Company)	DOCKET NO
to Extend on a Permanent Basis its)	
Economic Development Rider.)	
	.)	FILED: March 14, 2016

PETITION OF TAMPA ELECTRIC COMPANY TO EXTEND ON A PERMANENT BASIS ITS ECONOMIC DEVELOPMENT RIDER

Tampa Electric Company ("Tampa Electric" or "the company"), pursuant to Sections 288.035 and 366.06, Florida Statutes, and Rule 25-6.0426, Florida Administrative Code, hereby petitions the Commission to extend on a permanent basis the company's currently approved Economic Development Rider and, as grounds therefor, says:

1. The persons to whom all notices and other documents should be sent in connection with this docket are:

James D. Beasley ibeasley@ausley.com
J. Jeffry Wahlen
jwahlen@ausley.com
Ashley M. Daniels
adaniels@ausley.com
Ausley McMullen
Post Office Box 391
Tallahassee, FL 32302
(850) 224-9115
(850) 222-7560 (fax)

Paula K. Brown
regdept@tecoenergy.com
Manager, Regulatory Coordination
Tampa Electric Company
Post Office Box 111
Tampa, FL 33601
(813) 228-1444
(813) 228-1770 (fax)

2. Tampa Electric's 2013 base rate proceeding was concluded with the Commission's approval of a Stipulation and Settlement Agreement ("Settlement") entered into by and between Tampa Electric and the other parties to that proceeding. Section 3(b)(ix) of the Settlement called for Tampa Electric's introduction of a new Economic Development Rider ("EDR") on a pilot

basis for a three-year period. The EDR pilot became effective upon the implementation date of the Settlement, which was the date of the meter reading for the first billing cycle of November 2013. The referenced section of the Settlement provided, with regard to the new EDR, the following:

The Commission's approval of this Agreement shall constitute approval of the Economic Development Rider and shall satisfy the requirements of Commission Rule 25-6.0426(3)-(6), F.A.C., and accordingly, the reductions afforded in these tariffs shall be included as a cost in the company's cost of service for all ratemaking purposes and surveillance reporting. During the pilot period, the rates in the Economic Development Tariff shall be open for new customers and new applications to existing customers through December 31, 2016, unless the maximum amount of economic development expenditures as specified in Commission Rule 25-6.0426, F.A.C., is met, at which time the tariff will be closed for new customers or new applications to existing customers until the amount again falls below the maximum allowed.

3. Attached here as Exhibit "A" are copies of the company's current Commission approved EDR tariffs (First Revised Sheet No. 6.720; Original Sheet No. 6.275 and Original Sheet No. 7.470).

EDR Pilot Program Results to Date

4. The Economic Development Program has been successful in bringing new load and jobs into Tampa Electric's service territory. Since June 2014, when the company's first EDR customer was enrolled, the program has attracted new load representing incremental base revenue of approximately \$760,000 and added 405 full-time equivalent jobs in Tampa Electric's service territory. The incentive discount amount associated with this load and job growth during the same period is approximately \$134,000. Tampa Electric is currently working on additional customer projects that would not have been viable without the economic development incentive.

Basis for Continuation of the EDR on a Permanent Basis

5. As shown in paragraph 4 above, the EDR pilot program has been very effective at providing economic development incentives to encourage siting of beneficial new load that brought jobs to the Tampa Electric service area. As the pilot program is approaching the end of its pilot period, that success has spurred Tampa Electric to seek approval for its continuation on a permanent basis. While the pilot period does not end until the end of 2016, economic development contacts and negotiations are very often conducted a substantial amount of time before the prospective customer is ready to take service from Tampa Electric. Being able to offer EDR early in the extended period and be able to assure that EDR will still be there to take when the customer is ready to make a decision is very important to continue the success of this program, hence Tampa Electric is asking to make this program permanent now well in advance of the pilot program end date.

Proposed Permanent EDR Tariff Sheets

- 6. Attached hereto as Exhibit "B" are the company's proposed permanent EDR tariff sheets consisting of Second Revised Sheet No. 6.720; First Revised Sheet No. 6.725 (two pages); and First Revised Sheet No. 7.740, marked in legislative format to show minor modifications from the currently approved pilot program EDR tariff sheets, along with clean copies of the proposed permanent tariff sheets. Tampa Electric believes that a permanent extension of the EDR will encourage business growth in the areas served by Tampa Electric at no cost to ratepayers.
- 7. Consistent with the approval given to the pilot EDR in the Commission's approval of the Settlement, Tampa Electric requests that the Commission find and determine that its approval of the proposed extension of the company's EDR tariff on a permanent basis satisfies

the requirements of Commission Rule 25-6.0426(3)-(6), F.A.C. and, accordingly, the reductions afforded in these tariffs shall be included as a cost in the company's cost of service for all ratemaking purposes and surveillance reporting.

- 8. This Petition is consistent with the "New Tariffs" provision set forth in paragraph 10 of the Settlement in that it does not seek an increase in any base rate component of a tariff or rate schedule during the term of the Settlement.
- 9. Tampa Electric is not aware of any disputed issues of material fact relative to the matters asserted or the relief requested in this Petition.

WHEREFORE, Tampa Electric respectfully urges the Commission to approve an extension of the EDR program on a permanent basis as reflected in the tariff sheets attached hereto as Exhibit "B", consistent with limitations set forth in paragraph 8 of this Petition.

DATED this 14th day of March, 2016.

Respectfully submitted,

JAMES D. BEASLEY
J. JEFFRY WAHLEN

ASHLEY M. DANIELS

Ausley McMullen

Post Office Box 391

Tallahassee, FL 32302

(850) 224-9115

ATTORNEYS FOR TAMPA ELECTRIC COMPANY

EXHIBIT "A" CURRENT COMMISSION APPROVED SHEETS





ECONOMIC DEVELOPMENT RATE - EDR

SCHEDULE: EDR

AVAILABLE: Entire service area.

This Rider is available for load associated with initial permanent service to new establishments or the expansion of existing establishments. Service under the Rider is limited to Customers who make application to the Company for service under this Rider, and for whom the Company approves such application. The New Load applicable under this Rider must be a minimum of 350 kW at a single delivery point. To qualify for service under this Rider, the Customer must employ an additional work force of at least 25 full-time equivalent (FTE) employees at the location of the single point of delivery.

Initial application for this Rider is not available to existing load. However, if a change in ownership occurs after the Customer contracts for service under this Rider, the successor Customer may be allowed to fulfill the balance of the contract under Rider EDR and continue the schedule of credits outlined below. This Rider is also not available for renewal of service following interruptions such as equipment failure, temporary plant shutdown, strike, or economic conditions. This Rider is also not available for load shifted from one establishment or delivery point on the Tampa Electric system to another on the Tampa Electric system.

The load and employment requirements under the Rider must be achieved at the same delivery point. Additional metering equipment may be required to qualify for this Rider. The Customer Service Agreement under this Rider must include a description of the amount and nature of the load being provided, the number of FTE's resulting, and documentation verifying that the availability of the Economic Development Rider is a significant factor in the Customer's location/expansion decision.

This Rider will not be available for initial application for service after December 31, 2016.

<u>LIMITATION OF SERVICE</u>: The Company reserves the right to limit applications for this Rider when the Company's Economic Development expenses from this Rider and other sources exceed the amount set for the Company under Rule 25-6.0426 FAC.

Service under this Rider may not be combined with service under the Commercial/Industrial Service Rider.

<u>DEFINITION</u>: New Load: New Load is that which is added to the Company's system by a new establishment after November 1, 2013. For existing establishments, New Load is the net incremental load above that which existed prior to approval for service under this Rider.

Continued to Sheet No. 6.725

ISSUED BY: G. L. Gillette, President **DATE EFFECTIVE:** January 2, 2014



Continued from Sheet No. 6.720

<u>DESCRIPTION</u>: A credit based on the percentages below will be applied to the base demand charges and base energy charges of the Customer's otherwise applicable rate schedule associated with the Customer's New Load:

Year 1 – 20% reduction in base demand and energy charges*

Year 2 – 15% Year 3 – 10% Year 4 – 5% Year 5 – 0%

* All other charges including basic service, fuel cost recovery, capacity cost recovery, conservation cost recovery, and environmental cost recovery will also be based on the Customer's otherwise applicable rate. The otherwise applicable rates may be any of the following: GSD, GSDT. Any Customer taking service under the CISR Rider is ineligible to take service under this EDR Rider.

TERM OF SERVICE: The Customer agrees to a five-year contract term. Service under this Rider will terminate at the end of the fifth year.

The Company may terminate service under this Rider at any time if the Customer fails to comply with the terms and conditions of this Rider. Failure to: 1) maintain the level of employment specified in the Customer's Service Agreement and/or 2) purchase from the Company the amount of load specified in the Customer's Service Agreement may be considered grounds for termination.

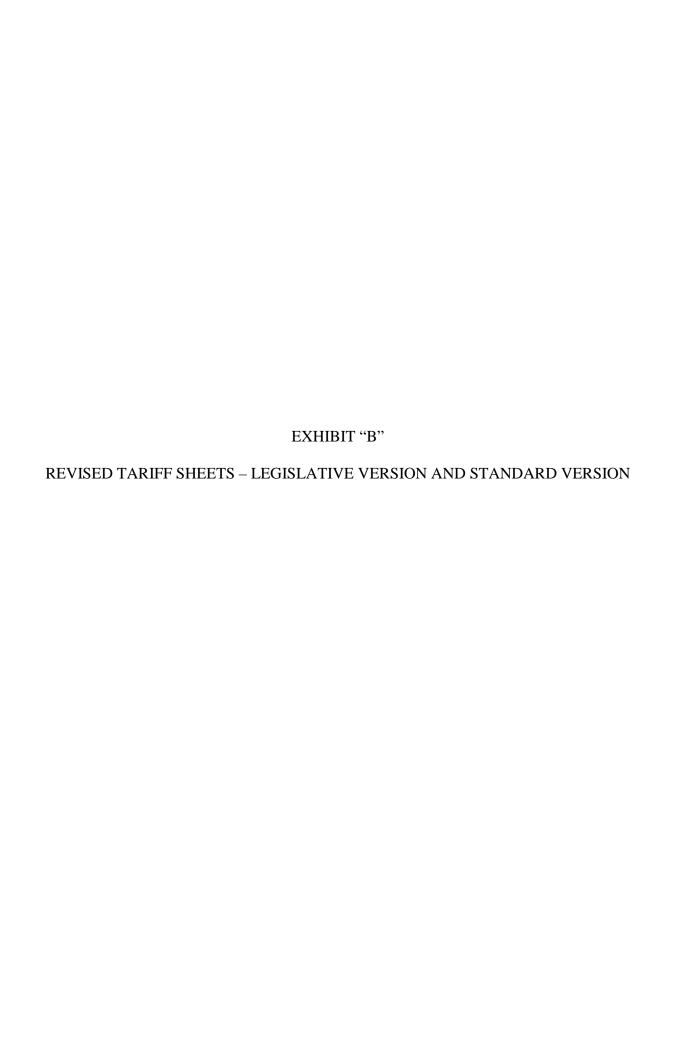
PROVISIONS FOR EARLY TERMINATION: If the Company terminates service under this Rider for the Customer's failure to comply with its provisions, the Customer will be required to reimburse the Company for any discounts received under this Rider plus interest.

If the Customer opts to terminate service under this Rider before the term of service specified in the Service Agreement the Customer will be required to reimburse the Company for any discounts received under this Rider plus interest.

RULES AND REGULATIONS: Service under this schedule is subject to orders of governmental bodies having jurisdiction and to the currently effective "General Rules and Regulations for Electric Service" on file with the Florida Public Service Commission. In case of conflict between any provision of this schedule and said "General Rules and Regulations for Electric Service" the provision of this schedule shall apply.



SERVICE AGREEMENT FOR ECONOMIC DEVELOPMENT RIDER New Establishment Existing Establishment with an Expanded Load CUSTOMER NAME **ADDRESS** TYPE OF BUSINESS The Customer hereto agrees as follows: 1. To create _____ full-time jobs. 2. That the quantity of new or expanded load shall be _____ KW of Demand. 3. The nature of this new or expanded load is . . 4. To initiate service under this Rider on_____, ____, and terminate Service under this Rider on _____ ___. This shall constitute a period of five Years. 5. In case of early termination, the Customer must pay Tampa Electric Company the difference between the otherwise applicable rate and the payments made, up to that point in time, plus interest. 6. To provide verification that the availability for this Rider is a significant factor in the Customer's location/expansion decision. 7. If a change in ownership occurs after the Customer contracts for service under this Rider, the successor Customer may be allowed to fulfill the balance of the contract under Rider EDR and continue the schedule of credits. Signed:_____ Accepted by: _____TAMPA ELECTRIC COMPANY Date: Date:





ECONOMIC DEVELOPMENT RATE - EDR

SCHEDULE: EDR

AVAILABLE: Entire service area.

This Rider is available for load associated with initial permanent service to new establishments or the expansion of existing establishments. Service under the Rider is limited to Customers who make application to the Company for service under this Rider, and for whom the Company approves such application. The New Load applicable under this Rider must be a minimum of 350 kW at a single delivery point. To qualify for service under this Rider, the Customer must employ an additional work force of at least 25 full-time equivalent (FTE) employees at the location of the single point of delivery.

Initial application for this Rider is not available to existing load. However, if a change in ownership occurs after the Customer contracts for service under this Rider, the successor Customer may be allowed to fulfill the balance of the contract under Rider EDR and continue the schedule of credits outlined below. This Rider is also not available for renewal of service following interruptions such as equipment failure, temporary plant shutdown, strike, or economic conditions. This Rider is also not available for load shifted from one establishment or delivery point on the Tampa Electric system to another on the Tampa Electric system.

The load and employment requirements under the Rider must be achieved at the same delivery point. Additional metering equipment may be required to qualify for this Rider. The Customer Service Agreement under this Rider must include a description of the amount and nature of the load being provided, the number of FTE's resulting, and documentation verifying that the availability of the Economic Development Rider is a significant factor in the Customer's location/expansion decision.

This Rider will not be available for initial application for service after December 31, 2016.

<u>LIMITATION OF SERVICE</u>: The Company reserves the right to limit applications for this Rider when the Company's Economic Development expenses from this Rider and other sources exceed the amount set for the Company under Rule 25-6.0426 FAC.

Service under this Rider may not be combined with service under the Commercial/Industrial Service Rider.

<u>**DEFINITION**</u>: New Load: New Load is that which is added to the Company's system by a new establishment—<u>after November 1, 2013</u>. For existing establishments, New Load is the net incremental load above that which existed prior to approval for service under this Rider.

Continued to Sheet No. 6.725

ISSUED BY: G. L. Gillette, President DATE EFFECTIVE: January 2, 2014





Continued from Sheet No. 6.720

<u>DESCRIPTION</u>: A credit based on the percentages below will be applied to the base demand charges and base energy charges of the Customer's otherwise applicable rate schedule associated with the Customer's New Load:

Year 1 – 20% reduction in base demand and energy charges*

Year 2 – 15% Year 3 – 10% Year 4 – 5% Year 5 – 0%

The credit will begin once the Customer has achieved the minimum load and job requirements.

TERM OF SERVICE: The Customer agrees to a five-year contract term. Service under this Rider will terminate at the end of the fifth year.

The Company may terminate service under this Rider at any time if the Customer fails to comply with the terms and conditions of this Rider. Failure to: 1) maintain the level of employment specified in the Customer's Service Agreement and/or 2) purchase from the Company the amount of load specified in the Customer's Service Agreement may be considered grounds for termination.

PROVISIONS FOR EARLY TERMINATION: If the Company terminates service under this Rider for the Customer's failure to comply with its provisions, the Customer will be required to reimburse the Company for any discounts received under this Rider plus interest.

If the Customer opts to terminate service under this Rider before the term of service specified in the Service Agreement the Customer will be required to reimburse the Company for any discounts received under this Rider plus interest.

The Service Agreement will automatically terminate if the minimum load and job requirements has not been achieved within 120 days of the effective date of the Service Agreement.

RULES AND REGULATIONS: Service under this schedule is subject to orders of governmental bodies having jurisdiction and to the currently effective "General Rules and Regulations for Electric Service" on file with the Florida Public Service Commission. In case of conflict between any provision of this schedule and said "General Rules and Regulations for Electric Service" the provision of this schedule shall apply.

^{*} All other charges including basic service, fuel cost recovery, capacity cost recovery, conservation cost recovery, and environmental cost recovery will also be based on the Customer's otherwise applicable rate. The otherwise applicable rates may be any of the following: GSD, GSDT. Any Customer taking service under the CISR Rider is ineligible to take service under this EDR Rider.







ORIGINAL FIRST REVISED SHEET NO. 7.740 CANCELS ORIGINAL SHEET NO. 7.740

TAMPA ELECTRIC SERVICE AGREEMENT FOR ECONOMIC DEVELOPMENT RIDER New Establishment Existing Establishment with an Expanded Load CUSTOMER NAME ADDRESS TYPE OF BUSINESS The Customer hereto agrees as follows: 1. To create _____ full-time jobs. 2. That the quantity of new or expanded load shall be _____KW of Demand. 2.3. That the demand and energy baselines for existing load are as shown in Exhibit A. 3.4. The nature of this new or expanded load is _____. 4.5. To initiate service under this Rider on_____, ____, and terminate Service under this Rider on ______ ___. This shall constitute a period of five Years. 5.6. In case of early termination, the Customer must pay Tampa Electric Company the difference between the otherwise applicable rate and the payments made, up to that point in time, plus interest. 6.7. To provide verification that the availability for this Rider is a significant factor in the Customer's location/expansion decision. 7. If a change in ownership occurs after the Customer contracts for service under this Rider, the successor Customer may be allowed to fulfill the balance of the contract under Rider EDR and continue the schedule of credits. Signed:_____ Accepted by: _____ TAMPA ELECTRIC COMPANY Title: Title: _____ Date: _____ Date: ____

ISSUED BY: G. L. Gillette, President **DATE EFFECTIVE:** November 1, 2013

Continued to Sheet No. 7.745



Continued from Sheet No. 7.740				
EXHIBIT A				
Established Monthly Baselines for Existing Load				



ECONOMIC DEVELOPMENT RATE - EDR

SCHEDULE: EDR

AVAILABLE: Entire service area.

This Rider is available for load associated with initial permanent service to new establishments or the expansion of existing establishments. Service under the Rider is limited to Customers who make application to the Company for service under this Rider, and for whom the Company approves such application. The New Load applicable under this Rider must be a minimum of 350 kW at a single delivery point. To qualify for service under this Rider, the Customer must employ an additional work force of at least 25 full-time equivalent (FTE) employees at the location of the single point of delivery.

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The load and employment requirements under the Rider must be achieved at the same delivery point. Additional metering equipment may be required to qualify for this Rider. The Customer Service Agreement under this Rider must include a description of the amount and nature of the load being provided, the number of FTE's resulting, and documentation verifying that the availability of the Economic Development Rider is a significant factor in the Customer's location/expansion decision.

This Rider will not be available for initial application for service after December 31, 2016.

<u>LIMITATION OF SERVICE</u>: The Company reserves the right to limit applications for this Rider when the Company's Economic Development expenses from this Rider and other sources exceed the amount set for the Company under Rule 25-6.0426 FAC.

Service under this Rider may not be combined with service under the Commercial/Industrial Service Rider.

<u>DEFINITION</u>: New Load: New Load is that which is added to the Company's system by a new establishment. For existing establishments, New Load is the net incremental load above that which existed prior to approval for service under this Rider.

Continued to Sheet No. 6.725

ISSUED BY: G. L. Gillette, President **DATE EFFECTIVE:**



FIRST REVISED SHEET NO. 6.725 CANCELS ORIGINAL SHEET NO. 6.725

Continued from Sheet No. 6.720

<u>DESCRIPTION</u>: A credit based on the percentages below will be applied to the base demand charges and base energy charges of the Customer's otherwise applicable rate schedule associated with the Customer's New Load:

Year 1 – 20% reduction in base demand and energy charges*

Year 2 – 15% Year 3 – 10% Year 4 – 5% Year 5 – 0%

The credit will begin once the Customer has achieved the minimum load and job requirements.

TERM OF SERVICE: The Customer agrees to a five-year contract term. Service under this Rider will terminate at the end of the fifth year.

The Company may terminate service under this Rider at any time if the Customer fails to comply with the terms and conditions of this Rider. Failure to: 1) maintain the level of employment specified in the Customer's Service Agreement and/or 2) purchase from the Company the amount of load specified in the Customer's Service Agreement may be considered grounds for termination.

PROVISIONS FOR EARLY TERMINATION: If the Company terminates service under this Rider for the Customer's failure to comply with its provisions, the Customer will be required to reimburse the Company for any discounts received under this Rider plus interest.

If the Customer opts to terminate service under this Rider before the term of service specified in the Service Agreement the Customer will be required to reimburse the Company for any discounts received under this Rider plus interest.

The Service Agreement will automatically terminate if the minimum load and job requirements has not been achieved within 120 days of the effective date of the Service Agreement.

<u>RULES AND REGULATIONS</u>: Service under this schedule is subject to orders of governmental bodies having jurisdiction and to the currently effective "General Rules and Regulations for Electric Service" on file with the Florida Public Service Commission. In case of conflict between any provision of this schedule and said "General Rules and Regulations for Electric Service" the provision of this schedule shall apply.

ISSUED BY: G. L. Gillette, President **DATE EFFECTIVE:**

^{*} All other charges including basic service, fuel cost recovery, capacity cost recovery, conservation cost recovery, and environmental cost recovery will also be based on the Customer's otherwise applicable rate. The otherwise applicable rates may be any of the following: GSD, GSDT. Any Customer taking service under the CISR Rider is ineligible to take service under this EDR Rider.



FIRST REVISED SHEET NO. 7.740 CANCELS ORIGINAL SHEET NO. 7.740

	SERVICE AC	GREEMENT FOR ECONOMI	C DEVELOPMENT RIDER
•	New Establishment Existing Establishment	with an Expanded Load	
	CUSTOMER NAME		
	ADDRESS		TYPE OF BUSINESS
The C	ustomer hereto agrees a	as follows:	
1.	To create	full-time jobs.	
2.	That the quantity of ne	ew or expanded load shall be	KW of Demand.
3.	That the demand and e	energy baselines for existing	load are as shown in Exhibit A.
4.	The nature of this new	or expanded load is	
5.	To initiate service und Rider on	er this Rider on _, This shall constitu	,, and terminate Service under this te a period of five Years.
6.	•	· · · · · · · · · · · · · · · · · · ·	y Tampa Electric Company the difference ments made, up to that point in time, plus
7.	To provide verification location/expansion de	<u> </u>	der is a significant factor in the Customer's
7.	•	ay be allowed to fulfill the ba	contracts for service under this Rider, the lance of the contract under Rider EDR and
Signe	d:	Accepted by: _	TAMPA ELECTRIC COMPANY
Title:		Title:	
Date:		Date:	
		Continued to Sheet N	o. 7.745

ISSUED BY: G. L. Gillette, President DATE EFFECTIVE:



Continued from Sheet No. 7.740
EXHIBIT A
Established Monthly Baselines for Existing Load

ISSUED BY: G. L. Gillette, President

DATE EFFECTIVE: