



August 6, 2020

Office of Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850  
Attn: Adam Teitzman

Re: 2020 Ten Year Site Plan – Staff’s Data Request #4

Dear Mr. Teitzman,

Pursuant to Section 186.801, Florida Statutes and Rules 25-22.070-072 of Florida Administrative Code, Lakeland Electric submits its responses to Staff’s Data Request #4 in relation to Lakeland Electric’s 2020 Ten Year Site Plan via the Commissions electronic platform.

If you have questions please contact me at 863-834-6595.

Sincerely,



Cynthia Clemmons  
City of Lakeland  
Manager of Legislative and Regulatory Relations  
Lakeland Electric  
863-834-6595 Work  
[Cindy.Clemmons@LakelandElectric.com](mailto:Cindy.Clemmons@LakelandElectric.com)  
501 E Lemon St.  
Lakeland, Florida 33801

Enclosure

July 14, 2020

Dear Utility Representative:

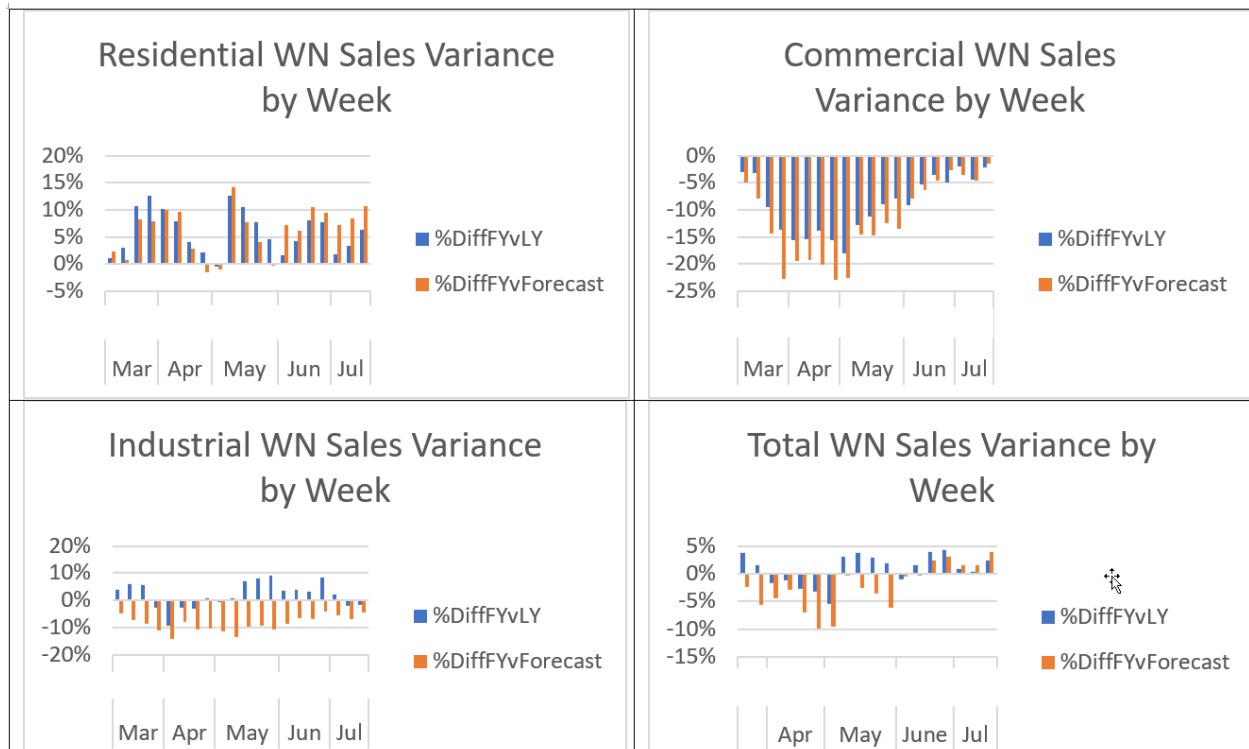
Re: Review of the 2020 Ten-Year Site Plans for Florida’s Electric Utilities – Staff’s Data Request #4

1. Please provide responses and explanations to the following questions:

- a. How were the Utility’s Sales to Residential, Commercial and Industrial classes, as well as the Total Sale to Ultimate Customers, affected during the last few months due to the COVID-19 Pandemic?

LAK has been aggregating AMI hourly meter interval data to track COVID impacts over our Fiscal Year (“FY”). Graphs below show fluctuation in **weather normalized** energy usage rolled up by week (March through mid July) relative to benchmarks of forecasted weekly consumption (“Forecast”) and previous year weekly energy consumption (“LY”).

As of mid July 2020, total cumulative **calendar** year actual sales were at -0.02% relative to forecast while weather normalized sales were at -2.1% relative to forecast.



- b. Compared with the projections in the instant TYSP, does the Company expect that the actual Total Sales to Ultimate Customers in 2020 and 2021 would be reduced due to the infliction of the Pandemic?

Considering the surge of hospitalized COVID cases in Florida this July, it is likely that the Commercial and Industrial rate classes will be operating below capacity for several more months. It is also likely that work from home policies will be extended for those employees who can work remotely. So far, to a large degree, the increase in Residential consumption has compensated for the decreased Commercial and Industrial consumption in our service area because Residential Sales represent roughly 50% of our total sales. The concern is that if additional government aid is not provided to families and the moratorium on evictions is not extended, then it is likely electric residential household counts will start dropping as customers are no longer able to pay their rent. Likewise, many businesses have filed for bankruptcy protection and it is likely that a portion of those will close permanently in the coming year. Consequently, we continue to expect weather normalized sales to drop in the range of 3% to 5% below forecast in 2020 and 2021.

2. Please refer to LAK's 2020 TYSP, Schedule 2.3. It appears that the Utility's projected growth rate of the annual average total customers would decrease each year after 2022, for the entire forecasting period. Please explain the reasons and/or the drivers behind these decreases.

We use monthly regression models to forecast our customer growth. The residential customer model contains 10 years of history and the main driver is the Moody's Economy.com forecast of Lakeland-Winter Haven MSA household. The Commercial and Industrial forecast uses the forecasted moving average of residential customers as its input – therefore it is also indirectly based on the same Moody's household forecast.

Utility	Year	Total Ave. Number of Customers	Annual Increase	
			Numbers	Percentage
LAK	2020	134,081		
LAK	2021	135,825	1,744	1.30%
LAK	2022	137,624	1,800	1.32%
LAK	2023	139,396	1,771	1.29%
LAK	2024	141,118	1,722	1.24%
LAK	2025	142,814	1,696	1.20%
LAK	2026	144,460	1,646	1.15%
LAK	2027	146,070	1,610	1.11%
LAK	2028	147,639	1,569	1.07%
LAK	2029	149,203	1,563	1.06%

Please submit your responses to this data request to both the FPSC Division of Engineering and the FPSC Office of Commission Clerk by following the instructions below:

1. Please email your responses to Doug Wright, Donald Phillips, and Damian Kistner by close of business on **Friday, August 7, 2020**.
2. Please consolidate your responses into a single PDF document and electronically file this PDF document via the Commission's website no later than close of business on **Friday, August 7, 2020**.