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#### March 28, 2022

#### **VIA: ELECTRONIC FILING**

Mr. Adam Teitzman Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Re: Petition by Tampa Electric Company for Approval of a New Small Commercial Lighting Tariff; Docket No. 20220037-EI

Dear Mr. Teitzman:

Attached are Tampa Electric Company's responses to Staff's First Data Requests (Nos. 1-10), propounded and served by electronic mail on March 14, 2022.

Thank you for your assistance in connection with this matter.

Sincerely,

Millien n. Means

Malcolm N. Means

MNM/bmp Attachment

cc: Corey Hampson, Public Utility Analyst II (w/attachment) <u>champson@psc.state.fl.us</u> Shaw Stiller – General Counsel, FPSC

# TAMPA ELECTRIC COMPANY DOCKET NO. 20220037-EI STAFF'S FIRST DATA REQUEST REQUEST NO. 1 BATES PAGE: 1 FILED: MARCH 28, 2022

- **1.** Please explain how TECO determined the appropriate maximum lighting equipment installation cost of \$20,000 for the small commercial lighting agreement (SCLA).
- **A.** The \$20,000 installation cost for the small commercial agreement (SCLA) is based on a common fixture/pole unit and quantity for a typical small commercial application.

# TAMPA ELECTRIC COMPANY DOCKET NO. 20220037-EI STAFF'S FIRST DATA REQUEST REQUEST NO. 2 BATES PAGE: 2 FILED: MARCH 28, 2022

- 2. Please explain how the SCLA protects the general body of ratepayers in the case of a termination of the agreement (e.g., if a customer terminates after only a few months).
- A. Tampa Electric does not plan to utilize this agreement in situations where the company believes the service will be temporary. The maximum lighting equipment installation cost of \$20,000 per engagement also helps to assure that any bad debt will not be material to the general body of rate payers. Furthermore, the customer class eligible for this offering will receive lighting service at a lower cost through this offering than those customers would be able to achieve through a non-utility lighting system. This reduces the risk that participating customers would terminate in the short term.

# TAMPA ELECTRIC COMPANY DOCKET NO. 20220037-EI STAFF'S FIRST DATA REQUEST REQUEST NO. 3 BATES PAGE: 3 FILED: MARCH 28, 2022

- **3.** If the proposed tariffs are approved by the Commission, please explain how TECO will handle lighting equipment if a customer terminates their SCLA.
- A. If a customer terminates service at the end of a completed primary term, Tampa Electric will normally leave the lighting equipment in place because the next tenant or owner will typically contact Tampa Electric to request that the existing lighting service be turned on.

Tampa Electric plans to follow this same practice in the event that a SCLA is terminated.

In the uncommon event where the property owner requests the out of service equipment be removed, Tampa Electric would comply. In this instance, the equipment would be either salvaged or returned to stock for reuse, depending on the age and condition of the equipment.

# TAMPA ELECTRIC COMPANY DOCKET NO. 20220037-EI STAFF'S FIRST DATA REQUEST REQUEST NO. 4 BATES PAGE: 4 FILED: MARCH 28, 2022

- **4.** If the proposed tariffs are approved by the Commission, would commercial customers already taking service under the LS-1 tariff be permitted to transfer from the standard lighting agreement to the proposed SCLA? Please explain.
  - a. If yes, please provide an estimate of the number of customers who would be qualified to transfer to the proposed SCLA.
- A. No. The SCLA is only for new business.

# TAMPA ELECTRIC COMPANY DOCKET NO. 20220037-EI STAFF'S FIRST DATA REQUEST REQUEST NO.5 BATES PAGE: 5 FILED: MARCH 28, 2022

- **5.** If the proposed tariffs are approved by the Commission, how many commercial customers are expected to take service under the proposed SCLA?
- A. While we have limited experience in this space, we would expect to see a similar ratio of commercial customers taking service under the SCLA as we have seen with the small residential lighting agreement (SRLA). As explained in the company's response to Data Request No. 6 below, the company expects that approximately 1.64% of residential lighting customers will take service under the SRLA on an annualized basis. If you apply this ratio of 1.64% to the total number of commercial lighting accounts, the result would be approximately 205 commercial customers taking service under the proposed SCLA on an annual basis.

#### TAMPA ELECTRIC COMPANY DOCKET NO. 20220037-EI STAFF'S FIRST DATA REQUEST REQUEST NO.6 BATES PAGE: 6 FILED: MARCH 28, 2022

- 6. How many residential customers have taken service under the small residential lighting agreement since its approval by the Commission in TECO's 2021 settlement agreement?<sup>1</sup>
- **A.** As of January 2022, 87 customers have taken service under the small residential lighting agreement. On an annualized basis, this represents approximately 1.64% of our residential lighting accounts.

<sup>1</sup>Order No. PSC-2021-0423-S-EI, issued November 10, 2021, in Docket No. 20210034-EI, In re: Petition for rate increase by Tampa Electric Company.

# TAMPA ELECTRIC COMPANY DOCKET NO. 20220037-EI STAFF'S FIRST DATA REQUEST REQUEST NO.7 BATES PAGE: 7 FILED: MARCH 28, 2022

- 7. Please refer to the bottom of tariff sheet No. 6.800, which states as follows: "A new LS-2 agreement is not required to initiate the transition, only authorization for the customer in writing." Does TECO believe that "for" should be substituted with "from" in the sentence above? If not, please explain.
- **A.** No. The paragraph at the bottom of tariff sheet No. 6.800 begins "With the Company's approval, ..." The authorization referred in the referenced sentence is provided by the Company.

If Staff believes the language is unclear as written, the sentence could be clarified to say: "A new LS-2 agreement is not required to initiate the transition, only written authorization from the Company."

# TAMPA ELECTRIC COMPANY DOCKET NO. 20220037-EI STAFF'S FIRST DATA REQUEST REQUEST NO.8 BATES PAGE: 8 FILED: MARCH 28, 2022

- 8. Please refer to Paragraph 15b. of the petition. Please explain why TECO initially opted to no longer offer the round style light fixture under Rate Code 523.
- A. Tampa Electric closed the round style light pole under Rate Code 523 to new business because, at the time, there were few of this style pole in service. The company concluded that closure was appropriate at that time to trim the active rates to those more commonly used. Recently however, the lighting field team requested the rate be reopened at the direct request of the City of Tampa (COT) because the pole had been selected by COT as a signature pole for expanded use.

# TAMPA ELECTRIC COMPANY DOCKET NO. 20220037-EI STAFF'S FIRST DATA REQUEST REQUEST NO.9 BATES PAGE: 9-10 FILED: MARCH 28, 2022

- **9.** Referring to Paragraphs 15d. and 15e. of the petition, TECO explains its proposal to shift the sentence defining In-Place-Value to tariff sheet No. 6.835.
  - a. Please explain why TECO also proposes to redefine In-Place-Value from "...the value of the lighting equipment when it was first put into service,"<sup>2</sup> to "...the average cost of a current installation."<sup>3</sup>
  - b. Does TECO believe that the proposed definition change will have any impact on customers already taking service under the LS-2 lighting tariff? Please explain.
  - c. Does TECO believe that the proposed definition change will have any impact on the In-Place-Value of lighting installations transferring service from LS-1 to LS-2? Please explain.
- A. a. As noted in the petition Paragraph 15d, the intent was to shift the last sentence of the text under the "Term of Service" heading to Sheet 6.835 as a more applicable location. However, this shift was not completed in the redline/clean sheets provided as part of the petition. Instead, the sentence was removed from Sheet 6.830 but not shifted to Sheet 6.835. This is an error of omission.

As noted in the petition Paragraph 15e, a sentence was inserted on Sheet 6.835 defining In-Place-Value for any LS-1 equipment transferring to LS-2. This insertion was completed in the redline/clean sheets as intended.

The petition tariff sheet will be updated, as noted here, to insert the sentence removed from section 'Term of Service'. By including both definitions, no "redefinition" occurs, only an additional definition. Two definitions are needed – one for LS-2 equipment and another for transferred LS-1 equipment. The separate definition for LS1 is necessary because LS-1 equipment is actively involved in the company's shift to use of LED lighting.

The revised text under the "Monthly Rate" heading on tariff sheet 6.835 would read as follows (addition in underline):

The In-Place Value may change over time as new lights are added to the service provided under this Rate Schedule to a customer taking service, the monthly rate shall be applied to the In-Place Value in effect that billing month. The In-Place Value shall be defined by the value of the lighting Equipment

<sup>3</sup> Proposed tariff sheet No. 6.835.

<sup>&</sup>lt;sup>2</sup> Tariff sheet No. 6.830.

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when it was first put into service. The In-Place Value of any transferred LS-1 service shall be defined by the value of the lighting Equipment or its LED equivalent based on the average cost of a current installation.

b. No. With the proposed correction in answer 9a, the IPV calculation for customers already taking service under LS-2 lighting tariff would remain unchanged.

c. No. The proposed inserted definition related to LS-1 equipment transferring to LS-2 does close a gap in the calculation of the IPV for lighting installations which might include non-LED fixtures at transfer, which will soon be converted to LED as part of the company's LED conversion program.

The rates for the LED conversion project at the time of the conversion filing matched the HID rates and were based on the LED equivalent of the existing HID fixture. If a transfer from LS1 to LS2 is approved by the company, the value of the transferring equipment needs to be based on the LED equipment that will make up the ongoing transferred system.

<sup>&</sup>lt;sup>2</sup> Tariff sheet No. 6.830.

<sup>&</sup>lt;sup>3</sup> Proposed tariff sheet No. 6.835.

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- **10.** Please refer to Commission-approved tariff sheet No. 7.245 and proposed tariff sheet No.7.275. Commission staff notes that Section 19 of the small residential lighting agreement contains additional language which has not been incorporated into Section 19 of the proposed SCLA. The omitted language begins at the top of tariff sheet No. 7.245 with, "In the event of an Assignment..."
  - a. Did TECO intend to omit the additional paragraph of Section 19 from the proposed SCLA?
  - b. If so, please explain why this additional language is not necessary for the proposed SCLA.

**A.** a. No. This omission is in error and the referenced language should be included in the SCLA Section 19. The petition tariff sheet will be updated as noted here:

Tampa Electric proposes that the following language be added to Tariff Sheet No. 7.275 at the end of Section 19:

"In the event of an Assignment, the assignee may be substituted herein for the Customer and/or other Grantor with respect to all Customer rights and obligations, but the initial Customer shall not be released from the obligations of this Agreement except by a separate writing from the Company in the Company's sole discretion."

b. N/A.