

38

TECO's Response to Staff's First  
Interrogatories Nos. 1–20

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 20200002-EG  
STAFF'S FIRST SET OF  
INTERROGATORIES  
INTERROGATORY NO. 1  
BATES PAGE: 1  
FILED: JULY 12, 2021**

**Please refer to Schedule CT-2, Exhibit MRR-1, Page 3 of 4, of TECO's May 3, 2021, filing in Docket No. 20210002-EG to answer the following questions.**

1. For the Residential Walk-Through Energy Audit program, please explain the variance of (\$141,139) in Payroll & Benefits for the period January 2020 - December 2020 period. As part of your response, please address if the Company believes this variance is primarily attributable to the COVID-19 pandemic, or, as applicable, identify any other drivers of the variance that are unrelated to the COVID pandemic.

- A. Tampa Electric believes the variance of (\$141,139) in Payroll & Benefits for January 2020 – December 2020 period for the Residential Walk-Through Energy Audit program is solely attributable to the COVID-19 pandemic. The following three drivers drove this variance:

In 2020, there was one Residential Energy Audit Analyst and one back-office support vacancies that resulted in lower charges to payroll and benefits. Due to COVID-19 and suspending field activities from March through December of 2020, the vacancies were not filled during that time.

In addition, due to suspending field activities, there were five Residential Energy Audit Analysts assigned to periodically support a solar project and solar administrative duties from April through December which resulted in payroll being charged to that non-conservation program.

Lastly, due to suspending field activities, there were four Residential Energy Audit Analysts assigned to assist in the Preference Management project and testing efforts for several weeks which resulted in payroll being charged to that non-conservation project.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 20200002-EG  
STAFF'S FIRST SET OF  
INTERROGATORIES  
INTERROGATORY NO. 2  
BATES PAGE: 2  
FILED: JULY 12, 2021**

- 2.** For the Residential Walk-Through Energy Audit program, please explain the principle drivers for the variance of \$47,200 in Outside Services for the period January 2020 - December 2020.
- A.** The variance of \$47,200 in Outside Services for the Residential Walk-Through Energy Audit program are due to the following:
- Purchase of marketing material supporting the Residential Walk-Through Energy Audit that would be used at the events leading to the Superbowl and during 2021.
  - Purchase and installation costs of vehicle wraps installed on the new Ford Escape Hybrid replacement vehicles for the Residential Energy Audit Analysts promoting the Energy Audit and the website for other conservation programs.
  - Due to the COVID-19 pandemic, Tampa Electric stopped advertising Energy Planner and shifted the emphasis of advertising to energy audits during this time due to the number of customers that were working from home. When a customer would call in, the company would offer a phone energy audit, virtual energy audit, or advise the customer that they could also utilize the online energy audit platform the company has.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 20200002-EG  
STAFF'S FIRST SET OF  
INTERROGATORIES  
INTERROGATORY NO. 3  
BATES PAGE: 3  
FILED: JULY 12, 2021**

3. For the Residential Walk-Through Energy Audit program, please address the following:
  - a. Please explain the principle drivers for the variance of \$414,518 in Advertising for the period January 2020 - December 2020.
  - b. Please explain the drop in participation (compared to 2019) despite higher expenditures in 2020 for Advertising.
- A.
  - a. Due to the COVID-19 pandemic and the suspension of field activities, Tampa Electric stopped advertising Energy Planner and shifted those advertising fund to promote the Energy Audit programs (Phone, Customer Assisted Energy Audits (Online)) via multiple channels, including television, radio and digital to assist customers more while working from home and social distancing.
  - b. The drop in participation of the Residential Walk-Through Energy Audit is solely due to the COVID-19 pandemic. Tampa Electric suspended all field activity for the Residential Walk-Through Energy Audit program starting on March 16, 2020 which continued through the end of the year. Tampa Electric shifted the emphasis of advertising to energy audits during this time due to the number of customers that were working from home which increased the expenditures while seeing a drop in participation. When a customer would call in, the company would offer a phone energy audit, virtual energy audit, or advise the customer that they could also utilize the online energy audit platform the company has.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 20200002-EG  
STAFF'S FIRST SET OF  
INTERROGATORIES  
INTERROGATORY NO. 4  
BATES PAGE: 4  
FILED: JULY 12, 2021**

4. For the Residential Walk-Through Energy Audit program, please explain the variance of (\$34,340) in Vehicles for the period January 2020 - December 2020 period. As part of your response, please address if the Company believes this variance is primarily attributable to the COVID-19 pandemic, or, as applicable, identify any other drivers of the variance that are unrelated to the COVID pandemic.
- A. The variance of (\$34,340) in vehicles in the Residential Walk-Through Energy Audit program was solely attributable to the COVID-19 pandemic due to the suspension of field activities with this program and the temporary reassignment of team members to non-conservation activities as explained in Response No. 1 above.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 20200002-EG  
STAFF'S FIRST SET OF  
INTERROGATORIES  
INTERROGATORY NO. 5  
BATES PAGE: 5  
FILED: JULY 12, 2021**

5. For the Residential Ceiling Insulation program, please explain the variance of (\$36,967) in Incentives for the period January 2020 -December 2020. As part of your response, please address if the Company believes this variance is primarily attributable to the COVID-19 pandemic, or, as applicable, identify any other drivers of the variance that are unrelated to the COVID pandemic.
- A. The variance of (\$36,967) in Incentives for the period January 2020 - December 2020 in the Residential Ceiling Insulation program was attributable to the COVID-19 pandemic. Tampa Electric Energy Analysts were prohibited to enter customer homes as were Participating Ceiling Insulation contractors starting on March 16, 2020 which continued through the end of the year. Modifications were made to program procedures for contractors on September 17, 2020 which allowed contractors to only enter attics via the garage with no customer interface.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 20200002-EG  
STAFF'S FIRST SET OF  
INTERROGATORIES  
INTERROGATORY NO. 6  
BATES PAGE: 6  
FILED: JULY 12, 2021**

- 6.** For the Energy Education, Awareness and Agency Outreach program, please explain the principle drivers for the variance of \$10,773 in Vehicles for the period January 2020 -December 2020.
- A.** The variance of \$10,773 in Vehicles for the period January 2020 - December 2020 in the Energy Education, Awareness and Agency Outreach program was due to installing the Electric Vehicle ("EV") charging station to support the programs EV's driver's education.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 20200002-EG  
STAFF'S FIRST SET OF  
INTERROGATORIES  
INTERROGATORY NO. 7  
BATES PAGE: 7  
FILED: JULY 12, 2021**

7. For the Energy Star for New Homes program, please explain the variance of (\$103,950) in Incentives for the period January 2020 - December 2020. As part of your response, please address if the Company believes this variance is primarily attributable to the COVID-19 pandemic, or, as applicable, identify any other drivers of the variance that are unrelated to the COVID pandemic.
- A. The variance of (\$103,950) in Incentives for the period January 2020 - December 2020 in the Energy Star for New Homes program was attributed to the COVID-19 pandemic. The temporary construction halt and subsequent delays in home completions resulted in fewer builder rebate applications in 2020.



**TAMPA ELECTRIC COMPANY  
DOCKET NO. 20200002-EG  
STAFF'S FIRST SET OF  
INTERROGATORIES  
INTERROGATORY NO. 8  
BATES PAGE: 8  
FILED: JULY 12, 2021**

8. Please explain why nearly all of the Company's Advertising expenses that were recorded in the period January 2020 - December 2020 were assigned to a small number of programs. As part of your response, please address how the Company educates its customers and/or promotes all of the other residential and commercial /industrial rebate programs.
- A. Tampa Electric has been promoting DSM programs and educating customers about the energy efficiency and demand savings benefits associated with its DSM programs for 40 years. Currently, Tampa Electric offers 36 programs to the company's residential and commercial/industrial customers. Tampa Electric uses an advertising approach that is conservative, effective and can be adjusted during the year. The frequency and volume of advertising is planned to provide enough participation to ensure that Tampa Electric's DSM portfolio, taken as a whole, successfully meets, or as experienced in 2020 tries to achieve, the annual energy and demand goals approved by the Commission. Tampa Electric's DSM advertising is focused heavily on promoting the Energy Audit and Energy Planner programs, and at the same time by promoting these two programs, it creates awareness of the company's other residential and commercial/industrial energy-saving programs. There are three main reasons why the company believes that advertising should not be allocated to all programs. The first reason is that, from 1979 through 2020, Tampa Electric has assisted more than 619,000 residential and commercial/industrial customers with energy audits and has provided more than 746,000 rebates to those customers who have participated in Tampa Electric's energy-efficiency programs. While Tampa Electric continues to have excellent participation in its programs overall, many DSM programs have outstanding participation while some DSM programs have less than projected participation. The company believes that allocating advertising costs to all programs should not be done since the advertising amount or percentage is not necessarily in direct correlation to each one of the company's Commission approved DSM programs participation nor is it in the same reporting year. The second reason is that the company is being consistent and transparent in its methodical approach to handling conservation costs that benefit many programs. Similar to advertising costs that benefit all programs, the company treats "Common" costs using the same methodology. These charges are tracked and communicated as separate items which provides for the immediate recognition of deviations or question for prudence during the company's monthly expense review. The third is that the company's treatment is consistent with the way Tampa Electric takes into consideration advertising costs in conjunction with program cost effectiveness during the development of the portfolio of programs.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 20200002-EG  
STAFF'S FIRST SET OF  
INTERROGATORIES  
INTERROGATORY NO. 9  
BATES PAGE: 9  
FILED: JULY 12, 2021**

- 9.** For the Neighborhood Weatherization program, please explain the principle drivers for the variance of \$110,773 in Materials & Supplies for the period January 2020 - December 2020.
- A.** The variance of \$110,773 in Materials and Supplies for the period January 2020 - December 2020 in the Neighborhood Weatherization program was attributed to the COVID-19 pandemic.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 20200002-EG  
STAFF'S FIRST SET OF  
INTERROGATORIES  
INTERROGATORY NO. 10  
BATES PAGE: 10  
FILED: JULY 12, 2021**

- 10.** For the Neighborhood Weatherization program, please explain the variance of (\$510,843) in Incentives for the period January 2020 - December 2020. As part of your response, please address if the Company believes this variance is primarily attributable to the COVID-19 pandemic, or, as applicable, identify any other drivers of the variance that are unrelated to the COVID pandemic.
- A.** The variance of (\$510,843) in Incentives for the period January 2020 - December 2020 in the Neighborhood Weatherization program was attributed to the COVID-19 pandemic.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 20200002-EG  
STAFF'S FIRST SET OF  
INTERROGATORIES  
INTERROGATORY NO. 11  
BATES PAGE: 11  
FILED: JULY 12, 2021**

- 11.** For the Energy Planner program, please explain the variance of (\$182,146) in Advertising for the period January 2020 - December 2020. As part of your response, please address if the Company believes this variance is primarily attributable to the COVID-19 pandemic, or, as applicable, identify any other drivers of the variance that are unrelated to the COVID pandemic.
- A.** The variance of (\$182,146) in Advertising for the period January 2020 - December 2020 in the Energy Planner program was due to shifting those advertising funds to energy audits. This variance was a direct result of the COVID-19 pandemic.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 20200002-EG  
STAFF'S FIRST SET OF  
INTERROGATORIES  
INTERROGATORY NO. 12  
BATES PAGE: 12  
FILED: JULY 12, 2021**

- 12.** For the Industrial Load Management (GSLM 2&3) program, please explain the variance of (\$151,798) in Incentives for period January 2020 - December 2020. As part of your response, please address if the Company believes this variance is primarily attributable to the COVID-19 pandemic, or, as applicable, identify any other drivers of the variance that are unrelated to the COVID pandemic.
- A.** Tampa Electric believes the variance in incentives of (\$151,798) for the General Service Load Management 2 & 3 program in 2020 is mainly attributable to the COVID-19 pandemic. In addition, the company saw a slight reduction in load as businesses scaled back operations during the COVID-19 which probably also contributed to this variance due to the social distancing requirements that were mandated. Other factors that might have influenced this variance is other economic factors or conditions, or weather that may have affected any of the program participant's load.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 20200002-EG  
STAFF'S FIRST SET OF  
INTERROGATORIES  
INTERROGATORY NO. 13  
BATES PAGE: 13  
FILED: JULY 12, 2021**

- 13.** For the LED Street and Outdoor Conversion program, please explain the variance of (\$1,337,857) in the "Other" expense category for the period January 2020 - December 2020. As part of your response, please address if the Company believes this variance is primarily attributable to the COVID-19 pandemic, or, as applicable, identify any other drivers of the variance that are unrelated to the COVID pandemic.
- A.** Tampa Electric believes the variance in the "Other" expense category of (\$1,337,857) for the LED Street and Outdoor Conversion program in 2020 is mainly attributable to the COVID-19 pandemic. The company is not aware of any other drivers that contributed to this variance.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 20200002-EG  
STAFF'S FIRST SET OF  
INTERROGATORIES  
INTERROGATORY NO. 14  
BATES PAGE: 14  
FILED: JULY 12, 2021**

- 14.** For the Thermal Energy Storage program, please explain the variance of (\$158,292) in Outside Services for the period January 2020 - December 2020 period. As part of your response, please if the Company believes this variance is primarily attributable to the COVID-19 pandemic, or, as applicable, identify any other drivers of the variance that are unrelated to the COVID pandemic.
- A.** The variance of (\$157,700) in Outside Services was due to a customer payment that was allocated in error to outside services in December 2019. The correction for this error occurred in January 2020, where the charge was reclassified correctly and allocated to Incentives. This variance was not related to the COVID-19 pandemic.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 20200002-EG  
STAFF'S FIRST SET OF  
INTERROGATORIES  
INTERROGATORY NO. 15  
BATES PAGE: 15  
FILED: JULY 12, 2021**

- 15.** For the Thermal Energy Storage program, please explain the principle drivers for the variance of \$157,700 in Incentives for the period January 2020 - December 2020.
- A.** The variance of \$157,700 was the result of the correction that occurred to correct the allocation error that occurred in December 2019. The first payment (50 percent of the qualifying incentive) was made in December of 2019, but reallocated to Incentives in January of 2020 as explained in Response No. 14 above. In August 2020, the system had achieved a year of satisfactory operation in which the remaining 50 percent of the qualifying incentive (\$157,700) was paid. This variance was not related to the COVID-19 pandemic.



**TAMPA ELECTRIC COMPANY  
DOCKET NO. 20200002-EG  
STAFF'S FIRST SET OF  
INTERROGATORIES  
INTERROGATORY NO. 16  
BATES PAGE: 16  
FILED: JULY 12, 2021**

- 16.** For the Conservation Research and Development program, please explain the principle drivers for the variance of \$50,711 in Outside Services for the period January 2020 -December 2020.
- A.** The variance of \$50,711 in Outside Services for the period January 2020 - December 2020 in the Conservation Research and Development Program was due to two activities. The first activity was the Home Energy Management Pilot which had contractor fees for the installation of the equipment and inspection fees from the municipalities and counties the participants reside in. The second activity was the completion of the Benefits of Electric Vehicles report that was finalized by the University of South Florida's Center for Urban Transportation Research which was included as an appendix in the company's annual 2020 Demand Side Management report that was filed with the Commission on March 1, 2021.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 20200002-EG  
STAFF'S FIRST SET OF  
INTERROGATORIES  
INTERROGATORY NO. 17  
BATES PAGE: 17  
FILED: JULY 12, 2021**

- 17.** For the Renewable Energy program, please explain the variance of (\$84,963) in Materials & Supplies for the period January 2020 - December 2020. As part of your response, please address if the Company believes this variance is primarily attributable to the COVID-19 pandemic, or, as applicable, identify any other drivers of the variance that are unrelated to the COVID pandemic.
  
- A.** The variance of (\$84,963) in Materials & Supplies for the period January 2020 - December 2020 in the Renewable Energy program was due to not replacing a failed solar photovoltaic ("PV") array at a local school. The original PV array was installed in 2004 and the school currently has no support for its renewable energy program. This variance was not related to the COVID pandemic.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 20200002-EG  
STAFF'S FIRST SET OF  
INTERROGATORIES  
INTERROGATORY NO. 18  
BATES PAGE: 18  
FILED: JULY 12, 2021**

- 18.** For the Renewable Energy program, please explain the variance of (\$145,894) in Outside Services for the period January 2020 - December 2020. As part of your response, please address if the Company believes this variance is primarily attributable to the COVID-19 pandemic, or, as applicable, identify any other drivers of the variance that are unrelated to the COVID pandemic.
  
- A.** The variance of (\$145,894) in Outside Services for the period January 2020 - December 2020 in the Renewable Energy program was due to the installation of an educational solar PV array at the Museum of Science and Industry and annual maintenance to all of the program's solar installations. This variance was not related to the COVID pandemic.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 20200002-EG  
STAFF'S FIRST SET OF  
INTERROGATORIES  
INTERROGATORY NO. 19  
BATES PAGE: 19  
FILED: JULY 12, 2021**

**19.** For the Common Expenses expense category, please explain the principle drivers for the variance of \$100,000 in Advertising for the period January 2020 - December 2020.

**A.** The principal driver for the variance in advertising for the period January 2020-December 2020 in the Common Expenses category is that the \$100,000 that was the final contribution to the Superbowl hosting committee for Tampa Electric's conservation ability to participate at the public hosting events throughout Tampa on the weeks leading to the actual event. As reported, \$200,000 was reserved for participation in these high traffic events to promote conservation activities and energy and renewable education with the first payment of \$100,000 being made in late 2019.

The decision to have conservation participate in these events was made in early 2019, due to these public hosting events coinciding very closely to the company's transition to the new DSM programs that would make up the company's 2020-2029 DSM Plan and the number of customers that would attend these events leading to the Superbowl. As planned, Tampa Electric transitioned to the new DSM Plan on the first Monday of November 2020 (November 2, 2020). The company initiated the seven new Commission approved DSM programs and discontinued nine existing DSM programs. With the changes proposed, these events leading up to the Superbowl served as a great platform to educate the community on the new portfolio of DSM programs. In addition, the company's renewable block program participated with several moveable solar trees available for these events to further educate customers on the benefits of using solar energy.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 20200002-EG  
STAFF'S FIRST SET OF  
INTERROGATORIES  
INTERROGATORY NO. 20  
BATES PAGE: 20  
FILED: JULY 12, 2021**

- 20.** For the Integrated Renewable Energy System (Pilot) program, please explain the variance of (\$121,916) in the Capital Investment expense category for the period January 2020 - December 2020 period. As part of your response, please address if the Company believes this variance is primarily attributable to the COVID-19 pandemic, or, as applicable, identify any other drivers of the variance that are unrelated to the COVID pandemic.
- A.** The variance of (\$121,916) in the Capital Investment expense category for the period January 2020 - December 2020 period for the Integrated Renewable Energy System (Pilot) program was due to timing of the actual installation as compared to when it was originally scheduled. This variance was not related to the COVID pandemic.