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TECO's Response to Staff's
Second Set of Interrogatories
Nos.
13-15

**TAMPA ELECTRIC COMPANY
DOCKET NO. 20220002-EG
STAFF'S SECOND SET OF
INTERROGATORIES
INTERROGATORY NO. 13
BATES PAGE(S): 1 - 3
FILED: AUGUST 11, 2022**

13. Please refer to Schedule CT-2, Page 1 of 4, in Exhibit MRR-1, from TECO's May 2, 2022 filing in Docket No. 20220002-EG. Line 5 reflects that the Company recorded \$911,521 in Advertising expenses. Please answer the following:

- A. Explain how Conservation programs are being advertised to customers.
- B. Explain how costs for advertising are appropriate/essential for Conservation programs.

A. A. Tampa Electric has been promoting Demand Side Management ("DSM") programs and educating customers about the energy efficiency and demand savings benefits associated with its DSM programs for over 40 years. Currently, Tampa Electric offers 35 energy efficiency and load management/demand response 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 during the COVID years of 2020 and 2021 tries to achieve, the annual energy and demand goals approved by the Commission.

Historically, 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. The Energy Audit is the company's "umbrella" program that encourages customers to schedule time with one of the company's energy analysts to inspect the customer's home or business, so they can identify areas of opportunity where customers can conserve energy. In addition, all advertising the company promotes includes a strong call-to-action to visit Tampa Electric's website that provides details about the benefits of participating in each of the company's Commission approved DSM programs or to call Tampa Electric's Energy Management Services Department to learn more and sign up to participate.

During 2021, due to COVID, Tampa Electric suspended non-essential operations with customers that require face-to-face interactions (on-site) from January 1, 2021, to November 8, 2021. Tampa Electric, as in the

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majority of 2020, continued the many steps and efforts to mitigate the impacts to the company's Residential and Commercial/Industrial DSM programs and to provide customers special consideration during these challenging times. Because of this suspension, there was more emphasis placed on the Energy Audit program to continue to provide additional levels of assistance to customers during the pandemic, the company continued the emphasis on the Phone, Online and Virtual audit offerings for residential customers and Phone audit offerings for Commercial/Industrial customers. This shift in advertising was communicated to the Commission in the company's Response No. 3 of Staff's First Set of Interrogatories that was filed on July 16, 2020, which is provided below:

"As a result of the coronavirus ("COVID-19") pandemic and for the safety of Tampa Electric's customers and employees, Tampa Electric suspended nonessential in-home and in-business customer work beginning on March 13, 2020. Tampa Electric notified Commission Staff on March 14, 2020 that the company had temporarily suspended the performance of walk-through energy audits, installing Energy Planner equipment and other non-emergency field related work which requires an onsite visit to either a customer's home or business. This suspension required Tampa Electric to shift its advertising strategy and stop promoting conservation programs that require fact-to-face interactions. Because more customers are working and schooling from home, Tampa Electric switched its focus to promoting its free online Energy Audit and phone-assisted Energy Audit via "paid channels," including television and online. The company is also leveraging its "owned channels," including social media platforms, bill communications, website and email. New 15-second videos and digital ads promoting the online Energy Audit and steps customers can take to save continue to be promoted on the company's social media platforms. In addition, the company's energy analysts produced self-made videos that were posted on the company's social media platforms to promote energy efficient behaviors while working from home and other energy savings tips. Lastly, the company changed the process for customers who participate in the company's Neighborhood Weatherization program receive the portions of the energy efficiency kit that they can easily install themselves by mailing these energy savings measures to them so they can start saving energy immediately. Once the company resumes normal operations, Tampa Electric will schedule in-home appointments to complete installation of the other energy-saving items and perform other measures associated with the program. The company continues

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to monitor the COVID-19 pandemic and will adjust advertising further if needed.”

In addition, Tampa Electric will use the company's Energy and Renewable Education, Awareness and Agency Outreach program to educate customers, including low-income customers, to ensure they are aware of, and have access to the company's conservation programs. When customers attend an energy education and awareness event in the community, it affords the company the opportunity to engage the customer with an energy expert from Tampa Electric the ability to present valuable energy-saving tips and program information.

- B. The associated costs for advertising DSM programs are appropriate and essential to provide enough participation to ensure that Tampa Electric's DSM portfolio, taken as a whole, successfully meets, or as experienced during the COVID years of 2020 and 2021 tries to achieve, the annual energy and demand goals approved by the Commission. In addition, it is important to provide information to customers on the available energy efficiency and load management/demand response DSM programs (15 residential and 20 commercial/industrial) that are offered so that customers can make more informed decisions regarding the purchase of energy efficient equipment.

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- 14.** Please refer to Schedule CT-2, Page 2 of 4, in Exhibit MRR-1, from TECO's May 2, 2022 filing in Docket No. 20220002-EG. An advertising expense of \$895,460 was recorded for Program No. D0083437, the Residential Walk-Through Energy Audit program. Please answer the following:
- A. Explain, consistent with Rule 25-17.015(5)(a), Florida Administrative Code, the specific problem being addressed with the advertisement materials for this program.
 - B. Explain, consistent with Rule 25-17.015(5)(b), Florida Administrative Code, how the specific problem referenced in the sub-part (a) response above, is being corrected with the advertisement materials for this program.
 - C. Explain, consistent with Rule 25-17.015(5)(c), Florida Administrative Code, how direction is being provided to obtain help to alleviate the specific problem referenced in the sub-part (a) response above, with the advertisement materials for this program.
- A.**
- A. The most common specific problem(s) being addressed by the Residential Walk-Through Energy Audit are either a customer wanting to increase their control over their energy costs, save more energy than they are currently using, or reducing the amount of money they currently spend on energy.
 - B. An example of how to specifically correct this specific problem referenced in the sub-part (a) response above for the Residential Walk-Through Energy Audit is the guidance provided on Tampa Electric's website for this program which states: "Schedule a free in-home audit with one of our energy experts by calling the number listed below. Our energy analysts are globally certified through the Association of Energy Engineers accredited by the American National Standards Institute (ANSI) for their demonstrated knowledge and expertise in energy management. They will inspect your home, identify areas where you can save, recommend additional savings through our many energy-saving programs, provide year-round tips and more. To schedule your In-Home Audit, call 813-275-3909 weekdays from 8 a.m. to 5 p.m.
 - C. The direction concerning how to obtain help is two-fold to obtain help to alleviate the specific problem referenced in the sub-part (a) for the Residential Walk-Through Energy Audit. First, the customer is provided the phone number for the company that will help alleviate the problem as

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provided in Response No. 14B above. Second, if there are any areas the customer would need more specific assistance on will reside in the custom and specific recommendations to that customer's home that are provided to the customer in their energy audit report.

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15. Please refer to Schedule CT-2, Page 2 of 4, in Exhibit MRR-1, from TECO's May 2, 2022 filing in Docket No. 20220002-EG. Common expenses of \$599,648 are recorded. Please answer the following:

- A. Provide a definition for "Common" costs charged to the Payroll & Benefits expense category. Explain how the \$363,118 amount was calculated.
- B. Provide a definition for "Common" costs charged to the Materials & Supplies expense category.
- C. Provide a definition for "Common" costs charged to the Outside Services expense category. Explain how the \$122,902 amount was calculated.
- D. Provide a definition for "Common" costs charged to the Other expense category. Explain how the \$112,615 amount was calculated.

A. Tampa Electric provided the following Response to Request Number ECCR 3 – ACN 2022-019-2-1 on February 10, 2022.

In 2021, Tampa Electric incurred common expenses in the amount of \$599,648. These costs benefit residential and commercial/industrial Demand Side Management ("DSM") Programs. Applicable DSM costs are charged to the category as "Common" when these costs do not have the ability to be assigned to a specific DSM program. An example of these common costs is "Outside Services", Tampa Electric utilizes an outside vendor that provides the website and servers to host the applications to almost all of the residential and commercial/industrial programs and also houses the scheduling portal to schedule and track to completion of residential and commercial/industrial energy audits. These costs pertain to many DSM programs and energy audits, thus billing this service cost to common costs accurately recognizes that this cost benefits more than one specific DSM program. Some of the other common costs are labor, employee training courses, professional dues and mileage expenses. The table below shows the detail of how common costs were charged in 2021:

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2021 Common Expenses – DSM	
Payroll & Benefits	\$363,118
Materials & Supplies	\$1,005
Outside Services	\$122,902
Advertising	\$0
Incentives	\$0
Vehicles	\$8
Other	\$112,615
Total	\$599,648

- A. See Response No. 15 above for definition. The \$363,118 charged to Common in the “Payroll & Benefits” category is calculated by adding the payroll and benefit charges for the following position types below that provide leadership or support for all of the company’s DSM programs. Within these four position types, there were 18 positions that charged some time to Common by either providing leadership or supporting all of the company’s DSM programs.

Position Types

Energy Management Leadership
Energy Management Software Support
Regulatory Leadership
Regulatory Support

- B. See Response No. 15 above for definition.
- C. See Response No. 15 above for definition. The \$122,902 charged to Common in the “Outside Services” category is made up of the following charges:

<u>Common “Outside Services”</u>	<u>\$122,902</u>
EECP Monthly Hosting Agreement:	\$59,170
EECP Customer Care Agreement:	\$51,880
EECP Maintenance Agreement:	\$2,700
EECP Gateway setup and Design:	\$3,830
EECP Software Enhancements:	\$5,320

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Note: EECP is the Energy Efficiency Collaboration Platform, the software system that houses and tracks the participation and contributions of the company's DSM programs.

- D. See Response No. 15 above for definition. The \$112,615 charged to Common in the "Other" category is made up of the following charges:

<u>Common "Other"</u>	<u>\$112,615</u>
Professional dues and fees:	\$21,432
Training:	\$288
Lodging:	\$345
IT assessment fee:	\$77,652
Telecom utilities:	\$12,897