## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of revisions to Tariff Sheet Nos. 6.280 through 6.284 and approve original Tariff Sheet No. 6.2811 in Rate Schedule LS-1, Lighting Service by Progress Energy Florida, Inc.

DOCKET NO. 110030-EI ORDER NO. PSC-11-0177-TRF-EI ISSUED: March 28, 2011

The following Commissioners participated in the disposition of this matter:

ART GRAHAM, Chairman LISA POLAK EDGAR RONALD A. BRISÉ EDUARDO E. BALBIS JULIE I. BROWN

## ORDER APPROVING REVISIONS TO RETAIL TARIFF RATE SCHEDULE LS-1 LIGHTING SERVICE

BY THE COMMISSION:

On January 14, 2011, Progress Energy Florida, Inc. (PEF) filed a petition requesting our approval of the addition of a new lighting category, Light Emitting Diode (LED), and to list its available lighting billing types on its Retail Tariff Rate Schedule LS-1. PEF further sought our approval of the addition of two new Sodium Vapor lighting billing types (300 and 302), and six new Metal Halide lighting billing types (307, 308, 309, 311, 312, and 319). In addition, PEF sought our approval to clarify associated Tariff Sheets 6.281 and 6.284, restrict certain Sodium Vapor types (370, 375), and Metal Halide types (327, 349, 371, 372, and 390), and correct tariff page numbers to accommodate changes. We have jurisdiction over this matter pursuant to Section 366.06, Florida Statutes (F.S.).

As discussed above, PEF has requested our approval to add a new LED lighting category to its Retail Tariff Rate Schedule LS-1, two new Sodium Vapor Lighting billing types (300 and 302), and six new Metal Halide lighting billing types (307, 308, 309, 311, 312, and 319). In addition to adding the new lighting categories, PEF has sought to restrict the following billing types: Sodium Vapor types 370, 375 and Metal Halide types 327, 349, 371, 372, and 390, to existing installations. The LED lighting category will be a standard tariff which offers PEF's customers a selection of lower energy use lighting products. The Sodium Vapor Lighting billing types 300 and 302 are being added in response to customer requests. The Sodium Vapor Lighting billing type 300 is currently available at a lower wattage, but the proposed tariff offers a stronger lumen and was requested by the Department of Transportation for lighting multi-lane highways. Billing type 302 was added because it offers a stronger lumen, color and design option that is not currently available within the Sodium Vapor lighting billing types. The six new Metal DOCUMENT NUMBER-DATE

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Halide lighting billing types are being added in compliance with the Federal Energy Independence Act of 2007, that require certain wattages of metal halide fixtures be manufactured with a "pulse start" technology. According to PEF, the new technology lighting products will provide energy reductions of approximately 22 percent to 34 percent, depending on the fixture style. PEF is requesting the restriction of the Metal Halide lighting billing types 327, 349, 371, 372, and 390 to existing installations because they do not meet the requirements of the "pulse start" technology, and will no longer be manufactured by companies.

The charges for the new LED lighting category, the two new Sodium Vapor lighting billing types and the six new Metal Halide lighting billing types are all comprised of three components: a fixture charge, maintenance charge, and a non-fuel energy charge, consistent with PEF's other lighting options. The fixture charges were developed based on PEF's average installed costs multiplied by the currently approved 1.59 percent fixture rental rate. The maintenance charges were developed based on the PEF's estimated maintenance cost by fixture type. The non-fuel base energy charge applies only to the lighting fixture rates, and is determined by multiplying the kilowatthour usage, as presented in the proposed tariff by fixture type, by the non-fuel energy customer unit cost determined from the cost of service study as approved in PEF's most recent rate proceeding.<sup>1</sup> PEF's currently approved non-fuel energy rate is currently 1.707 cents per kWh.

We have reviewed the necessary cost information submitted<sup>2</sup> by PEF, and find that the proposed charges are reasonable and appropriate. Based on the foregoing, we find that PEF's proposed tariff revisions are reasonable and are hereby approved.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Progress Energy Florida, Inc.'s proposed changes to its Retail Tariff Rate Schedule LS-1 Lighting Service, as discussed in the body of this Order, are hereby approved. It is further

ORDERED that the effective date of Progress Energy Florida, Inc.'s tariff revisions shall be March 8, 2011. It is further

ORDERED that if a protest is filed within 21 days of issuance of the Order, the tariff shall remain in effect with any charges held subject to refund pending resolution of the protest. It is further

ORDERED that if no timely protest is filed, this docket shall be closed upon the issuance of a Consummating Order.

<sup>&</sup>lt;sup>1</sup> See Order No. PSC-10-0398-S-EI, issued June 18, 2010, in Docket No. 090079, <u>In re: Petition for</u> increase in rates by Progress Energy Florida, Inc.

<sup>&</sup>lt;sup>2</sup> <u>See</u> Progress Energy Florida, Inc.'s response to Staff's First Data Request No. 1, filed February 7, 2011, in Docket No. 110030-EI.

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By ORDER of the Florida Public Service Commission this <u>28th</u> day of <u>March</u>, <u>2011</u>.

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ANN COLE Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399 (850) 413-6770 www.floridapsc.com

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## NOTICE OF FURTHER PROCEEDINGS

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the proposed action files a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on April 18, 2011.

In the absence of such a petition, this Order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.