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May 20, 2015

VIA: ELECTRONIC FILINGMs. Carlotta S. Stauffer
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850Re: Petition of Tampa Electric Company for Approval of the Phased Closure of its
Residential Load Management program

Dear Ms. Stauffer:

Attached for filing in the above-styled matter is Tampa Electric Company's Petition for
Approval of the Phased Final Closure of its Residential Load Management Program.

Thank you for your assistance in connection with this matter.

Sincerely,



James D. Beasley

JDB/pp
Attachment

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Tampa Electric Company)
for Approval of the Phased Closure of its)
Residential Load Management Program.)
_____)

DOCKET NO. _____

FILED: May 20, 2015

**TAMPA ELECTRIC COMPANY'S PETITION
FOR APPROVAL OF THE PHASED FINAL CLOSURE OF
ITS RESIDENTIAL LOAD MANAGEMENT PROGRAM**

Tampa Electric Company ("Tampa Electric" or "the company") petitions the Commission to approve the phased final closure of the company's Residential Load Management program under the RSL-3 Tariff ("Prime Time) to existing customers and, as grounds thereof, says:

1. The name, address, telephone number and facsimile number of the petitioner are:

Tampa Electric Company
Post Office Box 111
Tampa, Florida 33601
(813) 228-4111
(813) 228-1770 (fax)

2. Tampa Electric is an investor-owned public utility subject to the jurisdiction of the Commission under Chapter 366, Florida Statutes.

3. All notices, pleadings and correspondence required to be served on the petitioner should be directed to:

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4. By this petition, Tampa Electric requests Commission approval of the company's phased final closure of its Prime Time demand side management ("DSM") program for all remaining customers who are participants in this program. The company seeks to complete a systematic phased final closure of the program, which has previously been found by the Commission to not be cost-effective and which has been closed to new business since 2005. The company's phased final closure of the program is necessary in further recognition that, in addition to the program not being cost-effective, the obsolescence of hardware and software necessary to administer the program, the unavailability of replacement parts, the depletion of the company's inventory of replacement units and the corresponding reduction in the reliability and effectiveness of the program make its continuation even for the remaining customers who receive service untenable and the limited benefits to the non-participating customers of its continuation not justified or reasonable.

Background

5. Tampa Electric's Prime Time program was initially approved as a part of Tampa Electric's DSM Plan in 1981. Prime Time is a voluntary residential load control program designed to reduce peak demand by interrupting service to water heaters, pool pumps and central electric heating and air conditioning units during times of weather sensitive peak demand. Participating customers are provided monthly bill credits in exchange for allowing their electrical equipment identified above to be interrupted. The last time Prime Time participants were called upon to interrupt usage under this program was on Monday, June 17, 2013.

6. Under the Florida Energy Efficiency and Conservation Act, the Commission must review a utility's conservation programs not less than every five years. After Tampa Electric's

numeric conservation goals were approved in 2004, the company submitted a portfolio of programs designed to meet those goals. Prime Time was included in that plan.

7. In February 2005, the Commission entered its order¹ approving Tampa Electric's DSM Plan for the ten year period 2005-2014. In its order the Commission addressed Prime Time and observed that it was no longer cost effective because it had a benefit-cost ratio of 0.74 under the rate impact measure ("RIM") test.

8. Tampa Electric at that time proposed to continue Prime Time while it evaluated its Price Responsive Load Management program ("Energy Planner" which is provided under rate schedule RSVP-1). However, the Commission observed that because Prime Time was no longer cost effective, non-participating customers would continue to pay a subsidy to participants if the program were allowed to continue. For this reason, the Commission found that Tampa Electric should close Prime Time to new participants, but allow current participants to continue on the program. The Commission reasoned that closing Prime Time to new customers would allow attrition to occur more rapidly, resulting in less of a subsidy paid by non-participants.

9. Prime Time was not included in the company's DSM Plans submitted in 2010 or 2015.

10. Moving forward, the non-cost effective Prime Time met additional obstacles. In June 2012, a field reliability study was conducted to assess the current control capability of Prime Time. The survey analysis indicated that Prime Time was experiencing a control capability failure rate of 35%. In December 2012, the available hardware for replacing failed components in the field was exhausted from the Company's storerooms. In January 2014, there were approximately 37,000 remaining participants on Prime Time down from the approximately

¹ In re: Petition for approval of numeric conservation goals by Tampa Electric, Order No. PSC-05-0891-PAA-EG, issued February 16, 2005 in Docket No. 040033-EG.

68,000 participants when it was closed to new business in 2005. In January 2014, the company commenced a retirement program of systematically contacting customers and advising them that the equipment installed at their residences had become obsolete and no longer was cost effective to maintain and operate, and offered them an alternative to Prime Time, the company's Energy Planner program.

11. Tampa Electric commenced the phased closure of its Prime Time program in a good faith effort to mitigate the cross-subsidization of program participants by non-participants and in recognition of the problems it was facing with the obsolescence of program infrastructure, and to focus the company's resources on administering Energy Planner as a superior load management platform. In recent internal discussions regarding the phased closure of Prime Time, the company recognized that this effort should have been preceded with a request for Commission approval for the final closure of the program. Tampa Electric has ceased removing customers from Prime Time pending resolution of this docket.

12. In 2014 Tampa Electric removed 11,202 participants from Prime Time and as of March 1, 2015 there were 23,464 participants remaining on the program.

Basis for Requested Phased Closure of Prime Time to Existing Customers

13. Tampa Electric requests Commission approval of a continued phased final closure of Prime Time for the reasons described above as the basis for having initiated the closure of the program in January of 2014. The company proposes to complete final closure to existing Prime Time customers by July 2016 in a systematic manner in order to balance operational efficiency with the ability to respond to customer inquiries. As one component of the requested final closure, the company proposes to offer its Energy Planner program to the remaining existing

Prime Time customers to enable them to offset the Prime Time incentive that will cease with the final closure of the program with savings that can be achieved under Energy Planner.

WHEREFORE, Tampa Electric respectfully urges the Commission to approve the phased closure of the company's Prime Time program to existing customers by July 31, 2016.

DATED this 20th day of May 2015.

Respectfully submitted,



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