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June 1, 2015

VIA: ELECTRONIC FILING

Ms. Carlotta S. Stauffer
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Petition for Approval of Demand-Side Management Plan of Tampa Electric Company; FPSC Docket No. 150081-EG

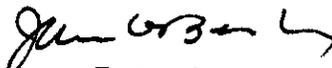
Dear Ms. Stauffer:

Attached for filing in the above docket are Tampa Electric Company's responses to the Florida Public Service Commission Staff's Second Data Request (Nos. 1-4), propounded and served by electronic mail on May 11, 2015.

A CD to supplement Tampa Electric's responses in Excel format will be hand delivered to Staff.

Thank you for your assistance in connection with this matter.

Sincerely,


James D. Beasley

JDB/pp
Attachment

cc: Kelley F. Corbari (w/CD)

**TAMPA ELECTRIC COMPANY
DOCKET NO: 150081-EG
DEMAND-SIDE MANAGEMENT
STAFF'S 2nd DATA REQUEST
REQUEST NO. 1
PAGE: 1 OF 1
FILED: JUNE 1, 2015**

1. Please discuss the methodology TECO used to estimate administrative costs.
 - A. Tampa Electric tracks and trends administrative costs on a monthly basis for Demand Side Management ("DSM") programs through a detailed review of expenses supporting each of the individual programs. Quarterly business reviews are also conducted to review administrative costs with each DSM Program Manager. Within these quarterly business reviews administrative costs are examined for how these costs are trending, projecting and if there is anything in the marketplace which would affect future expenses. Tampa Electric periodically evaluates administrative cost items against external market costs to perform individual service, individual item costs or the cost to perform the entire DSM program function. Tampa Electric's methodology used to estimate administrative costs per participant was to use current trending administrative costs as the estimated administrative costs.

**TAMPA ELECTRIC COMPANY
DOCKET NO: 150081-EG
DEMAND-SIDE MANAGEMENT
STAFF'S 2nd DATA REQUEST
REQUEST NO. 2
PAGE: 1 OF 1
FILED: JUNE 1, 2015**

2. Please list all items (i.e. salaries, computer programs, etc.) that are included in the administrative costs.

A. Tampa Electric administrative costs within DSM programs are comprised of the following:

- **Advertising** which includes printing services and vendor contracts for DSM program advertising.
- **Materials and supplies** which includes field and safety equipment, office supplies needed by team members to complete and organize their daily tasks and necessary computer hardware and software.
- **Other costs** which include employee training, professional and industry dues, information technology maintenance charges to maintain conservation customer systems and settled claims issues on defective program equipment at customer's premise.
- **Outside Services** which includes contracts with vendors for temporary staffing, administration and hosting of the residential on-line audit, distribution companies for compact fluorescent lightbulbs, weatherization supplies, installation of weatherization measures, installation, maintenance and removal of load management equipment, measurement and verification analysis, and the development of the new energy efficiency collaboration platform ("EECP") that will be replacing the antiquated energy management data warehouse ("EMDW").
- **Payroll and benefits** which includes salaries, hourly pay and overtime for team members to facilitate Tampa Electric's DSM programs such as performing energy audits and verifications, scheduling audit appointments, educating customers on energy efficiency programs, processing rebate requests, and performing other administrative functions directly supporting the Company's DSM programs.
- **Vehicles and travel** which includes conservation related reimbursed mileage and toll expenses for travel to customers' homes/businesses to perform energy audits and/or DSM program verifications, energy efficiency seminars, energy related conferences and energy education presentations. Travel expenses also include airfare and hotel expenses incurred to attend energy training, energy efficiency conferences and vendor technology meetings. Tampa Electric's company vehicles that are directly used to support only conservation activities are also expensed to administrative costs under this category.

**TAMPA ELECTRIC COMPANY
DOCKET NO: 150081-EG
DEMAND-SIDE MANAGEMENT
STAFF'S 2nd DATA REQUEST
REQUEST NO. 3
PAGE: 1 OF 2
FILED: JUNE 1, 2015**

3. Please discuss any and all efforts TECO made to reduce the administrative costs associated with its DSM programs.

A. Tampa Electric prides itself on offering, facilitating and managing cost effective DSM programs. Tampa Electric tracks and trends administrative costs on a monthly basis for DSM programs through a detailed review of expenses supporting each of the individual programs. Quarterly business reviews are also conducted to review administrative costs with each DSM Program Manager. Within these quarterly business reviews administrative costs are examined for how these costs are trending, projecting and if there is anything in the marketplace which would affect future expenses. In these meetings, discussions will take place for ensuring that emphasis is placed on ensuring the administrative costs incurred by the DSM program are appropriate and if possible reduced. Here are the most recent efforts the company has made to reduce administrative costs associated with the DSM programs offered:

- Review of monthly and year-to-date performance metrics such as:
 - Productivity by team member and team
 - Program activity levels
 - Labors hours spent per program
 - Cost items per program
 - Actual versus projection
 - Tracking no-show audit appointments and backfilling
- Identification of expensed anomalies and taking action to correct these upon occurrence.
- Reduced overtime through the optimization of scheduling and prioritizing of work.
- Optimization of work done by accomplishing DSM program tasks in between customer calls.
- Implementation of a new phone system that allows for emails and phone calls to automatically be routed to the next available team member. This allows for a more efficient response to customers and reduces overall call time.
- Optimization and flexibility of work. Many team members have been fully trained to work all aspects of other DSM jobs in order to fill in when team members are absent or when work volume necessitates shifting resources to assist in that area.

**TAMPA ELECTRIC COMPANY
DOCKET NO: 150081-EG
DEMAND-SIDE MANAGEMENT
STAFF'S 2nd DATA REQUEST
REQUEST NO. 3
PAGE: 2 OF 2
FILED: JUNE 1, 2015**

- Staff qualified temporary residential energy auditing contractors during the peak season so the Company staffs the appropriate level of full time employees.
- Conduct effective resource planning by examining future workload prior to moving forward with backfilling vacated positions.
- Track and provide feedback on survey scores and trending percentages to ensure that the company's Energy Auditors are focused on providing the most useful energy audit to that individual customer.
- Implementation of the new EECP program, which will replace the current EMDW, will bring several operational enhancements and afford more opportunities to reduce ongoing administrative costs, these specific enhancements with EECP include:
 - Automated scheduling system will schedule the closest resource automatically resulting in reduced drive time and mileage between audits and inspections as well as reduced back office scheduling time.
 - Expanded and streamlined reporting capabilities.
 - Allow for virtually paperless rebate application process – up-loadable documents capability. EECP is also being configured to prevent incorrect rebate submittals which will enhance customer service and prevent going back and forth with the customer for necessary data and information.
 - No manual re-keying for any rebate applications required. Currently, several DSM programs require transferring information from the rebate submittal to internally used form via manual re-keying by support personnel.
 - Ability to produce real time operational and managerial reports for optimum and immediate administrative adjustments.
 - Automatically scan and retain program applications and rebate processing eliminating the need for Tampa Electric's Document Services Department to provide these functions.
 - The company is currently in the final phases of configuring of EECP and is expected to start implementation, testing and begin turnover to the switchover to the new program sometime in June 2015.
- Migration to the new Customer Relationship Management and Billing system in 2016 may also bring opportunities to reduce administrative costs.

**TAMPA ELECTRIC COMPANY
DOCKET NO: 150081-EG
DEMAND-SIDE MANAGEMENT
STAFF'S 2nd DATA REQUEST
REQUEST NO. 4
PAGE: 1 OF 2
FILED: JUNE 1, 2015**

4. Please complete the table below summarizing actual and projected administrative costs for the company's DSM plan. As part of this response, please provide an electronic version of the table below in Excel format with your response.

Year	Administrative Costs (Nominal \$)	
	Actual	Projected
2005		
2006		
2007		
2008		
2009		
2010		
2011		
2012		
2013		
2014		
2015		
2016		
2017		
2018		
2019		
2020		
2021		
2022		
2023		
2024		

- A. Tampa Electric's summary of actual and projected nominal administrative historical costs as well as the projected nominal administrative costs for the 2015-2024 DSM Plan is included in the table on the following page. The electronic version of the table in Excel format is also included on the CD provided.

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DOCKET NO: 150081-EG
DEMAND-SIDE MANAGEMENT
STAFF'S 2nd DATA REQUEST
REQUEST NO. 4
PAGE: 2 OF 2
FILED: JUNE 1, 2015

Year	Administrative Costs (Nominal \$)	
	Actual	Projected
2005	\$5,852,227	\$6,921,864
2006	\$5,094,556	\$5,631,620
2007	\$4,970,628	\$5,369,752
2008	\$7,282,337	\$8,613,881
2009	\$8,275,221	\$5,749,779
2010	\$10,220,540	\$11,226,218
2011	\$11,304,914	\$14,360,598
2012	\$11,528,048	\$14,142,056
2013	\$11,614,125	\$14,545,058
2014	\$13,811,480	\$13,920,160
2015		\$18,080,372
2016		\$18,332,815
2017		\$15,796,658
2018		\$16,372,391
2019		\$17,033,563
2020		\$17,213,532
2021		\$17,607,007
2022		\$18,004,463
2023		\$18,413,490
2024		\$18,831,866