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November 20, 2017

VIA: ELECTRONIC TRANSMISSION

Mr. Walter Trierweiler Staff Attorney Office of General Counsel Florida Public Service Commission 2570 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: Petition of Tampa Electric Company to Close to New Business all Existing Lighting Rates and Approve New LED Lighting Rates and Tariffs for a Street and Outdoor Lighting Conversion Program; FPSC Docket No. 20170198-El

Petition for Approval of Conservation Street and Outdoor Lighting Conversion Program, by Tampa Electric Company; FPSC Docket No. 20170199-El

Dear Mr. Trierweiler

Tampa Electric Company appreciates having the opportunity to respond to the Florida Public Service Commission ("FPSC") Staff's questions at the informal meeting held Friday, November 18, 2017. This letter is being submitted to memorialize representations made by the company regarding certain matters raised during the meeting as outlined below.

Tampa Electric believes that the proposed conversion of metal halide ("MH") and high-pressure sodium ("HPS") luminaires to light emitting diodes ("LED") luminaires complies fully with the requirements of the Florida Energy Efficiency and Conservation Act ("FEECA") to become a cost-effective Demand Side Management ("DSM") program with approved costs recoverable through the Energy Conservation Cost Recovery Clause ("ECCR"). Tampa Electric believes this for the following reasons regarding this proposed program:

- 1. The proposed LED Conversion DSM program is cost-effective under the Rate Impact Measure ("RIM") test using the company's most current information from 2017.
- 2. The proposed LED Conversion DSM program will save a significant amount of winter demand and annual energy, which is in direct support of FEECA by reducing or controlling the growth rate of electric consumption and weather sensitive peak demand, and by increasing the overall efficiency and cost-effectiveness of electrical usage.

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- 3. The fact that this proposed LED conversion DSM program will save winter demand is particularly important because of the increased amount of solar generation that will be constructed on Tampa Electric's system. Because solar generation impacts only summer demand, this places more importance on the ability to reduce winter demand to effectively defer or eliminate the need for a future fossil fueled power plant.
- 4. Tampa Electric currently has an approved DSM program for customers that install more efficient lighting in non-conditioned areas similar to the proposed program.
- 5. The proposed program is patterned after the streetlight conversion programs approved in the past by the FPSC for both Tampa Electric and Florida Power and Light.
- 6. Tampa Electric has been approached by numerous existing lighting service customers, including large municipalities, requesting that the company replace the existing MH and HPS streetlighting with LED streetlights. These customers have been informed of Tampa Electric's filings in these dockets and are very supportive of the proposed conversion program.

Tampa Electric is seeking to recover the unamortized portion of the existing MH and HPS luminaires plant investment through the ECCR clause at a rate directly aligned with the removal and replacement of the existing luminaires. Because this proposed program fully complies with the requirements of FEECA, Tampa Electric should be allowed to report the demand reduction and annual energy savings along with its current DSM goals. However, Tampa Electric agrees to meet the current DSM 2015-2024 goals (as approved by the Commission) using the current approved DSM Programs only. Tampa Electric proposes that the demand and annual energy savings from the proposed Street and Outdoor Lighting Conversion Program be reported as additional savings over and above the savings achieved using the current approved DSM programs and that those additional savings would not be utilized for any other purpose with regard to FEECA or FEECA goal achievement.

Thank you again for meeting with Tampa Electric to discuss the proposed program. The company strongly believes that the proposed Street and Outdoor Lighting Conversion Program will benefit all the company's customers in the same way that the company's other Commission approved DSM programs benefit customers.

Sincerely,

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- CC: Commission Clerk Braulio Baez **Bill McNulty** Phillip Ellis Elisabeth Draper Mark Futrell Tom Ballinger Office of Public Counsel