

AUSLEY McMULLEN

ATTORNEYS AND COUNSELORS AT LAW

123 SOUTH CALHOUN STREET
P.O. BOX 391 (ZIP 32302)
TALLAHASSEE, FLORIDA 32301
(850) 224-9115 FAX (850) 222-7560

July 6, 2020

VIA: ELECTRONIC FILING

Adam Teitzman
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Petition for Approval of Demand-Side Management Plan
FPSC Docket No. 20200053-EG

Dear Mr. Teitzman:

On June 25, 2020, Florida Public Service Commission Staff (“Staff”) filed a recommendation regarding Tampa Electric Company’s (“Tampa Electric” or “company”) Petition for Approval of Demand Side Management (“DSM”) Plan. Tampa Electric hereby submits the following comments regarding Commission Staff’s recommendation.

Tampa Electric has consistently supported the Florida Public Service Commission’s (“Commission”) efforts to promote cost-effective DSM. These efforts have resulted in a significant level of energy savings throughout the years. As this Commission’s January 2020 “Annual Report on Activities Pursuant to the Florida Energy Efficiency and Conservation Act” (“FEECA”) states: “Since its inception, FEECA utility-sponsored DSM programs have cumulatively saved 7,956 MW of summer peak demand and 7,349 MW of winter peak demand.” Tampa Electric believes its DSM programs should continue to promote these cost-effective energy savings.

Last year, this Commission entered an order establishing numeric conservation goals for Tampa Electric pursuant to FEECA. *See* Order No. PSC 2019-0509-FOF-EG. This order re-imposed the numeric goals established in the 2014 goals proceeding for the five-year period beginning 2020. In compliance with FEECA, Tampa Electric then developed and filed with the Commission an updated DSM plan (the “Updated DSM Plan”) to meet these five-year goals. Tampa Electric’s proposed DSM Plan is updated to further the objectives of FEECA by employing

efficient and cost-effective conservation programs that are in the best interests of Tampa Electric's customers.

To prepare for the DSM goals and the proposed DSM Plan, the company updated its cost-effectiveness model to utilize the most current information, utility cost structure, and the company's next avoided unit. Based on these updates, the company selected DSM programs that are cost-effective for achieving the objectives of FEECA. The proposed DSM Plan differs from the company's existing DSM plan in several ways:

1. it includes six new, cost-effective rebate programs for current technologies;
2. it includes an integrated renewable energy system pilot program;
3. it discontinues nine rebate programs that are no longer cost-effective; and
4. it modifies existing programs as needed to ensure they are cost-effective over the new five-year horizon.

The goal of these changes was to ensure that, collectively, the DSM programs offered by the company will continue to achieve the objectives of FEECA. Neither Staff, nor any party or interested person in this docket, raised any concerns or objections regarding any of the company's new programs, modified programs, or programs slated for discontinuation.

Tampa Electric understands that Staff's recommendation proposes that the company should maintain its existing portfolio of DSM programs as is and as they were designed five years ago using data from that time period, with the caveat that the company may seek approval for alternative programs in a separate proceeding. If Staff's recommendation were to be approved, Tampa Electric will submit a separate filing seeking approval of all the updated elements of its proposed DSM Plan; however, the company believes it would be more efficient for the Commission to consider the company's proposed changes at this time. Moreover, because Tampa Electric's proposed DSM plan was designed to be more relevant to today's technological, economic and customer acceptance conditions than its existing DSM plan, Tampa Electric believes approving the proposed DSM plan now will allow the company to bring new program offerings to the marketplace sooner and will, therefore, allow the company to more effectively meet customer satisfaction objectives.

As a result, Tampa Electric respectfully requests that the Commission approve the six new rebate programs, the proposed integrated renewable energy system pilot program, the discontinuance of the nine non-cost-effective programs and the modifications proposed within the company's Updated DSM Plan in this proceeding for the reasons set forth below.

Six New Rebate Programs:

Tampa Electric's Updated DSM Plan proposes six new rebate programs that have already received significant customer interest. These include Residential: ENERGY STAR Smart Thermostats, ENERGY STAR Pool Pumps, Prime Time Plus Load Management; Commercial/Industrial: Smart Thermostats, Facility Energy Management Systems, and Variable Frequency Drives for Compressors. Each of these programs is cost-effective using current inputs to the model.

Proposed Integrated Renewable Energy System

The company does not currently have any programs that offer rebates for renewable energy systems. Tampa Electric's Updated DSM Plan however includes a five-year pilot program to study the conservation benefits of an integrated renewable energy system. This system includes commercial photovoltaic ("PV") solar, batteries, and energy-efficient battery charging. In analyzing these technologies on an individual basis, Tampa Electric discovered that commercial PV passed the Rate Impact Measure ("RIM") Test at the economic potential level while batteries did not, and that energy efficient battery charging had a strong Participant Cost Test score. The company believes that an integrated system involving these three technologies will demonstrate greater benefits that are not currently measured. The pilot program will study whether these additional benefits materialize and will also provide an educational opportunity for commercial/industrial customers that may be interested in this type of installation.

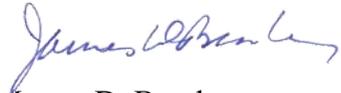
Modification of Existing Programs to Maintain Cost-effectiveness or Increase Program Delivery Benefits to Customers

Tampa Electric's Updated DSM Plan proposes to discontinue nine non-cost effective rebate programs currently offered by the company. In addition, Tampa Electric made necessary modifications to 12 other programs to help ensure these programs would attract customer participation to assist in achieving the annual DSM goals and maintain their cost-effectiveness over the next five years. Further, Tampa Electric modified the Neighborhood Weatherization Program to include a walk-through energy audit. In 2019, the company redesigned the Neighborhood Weatherization Program to utilize internal team members, which significantly reduced the cost of administering this program. During the redesign, Tampa Electric found that approximately 55 percent of all customers requesting a walk-through energy audit met the requirements for participation in the Neighborhood Weatherization Program. Based on this, the company proposes in the Updated DSM Plan a modification to include a walk-through energy audit within the Neighborhood Weatherization Program. Tampa Electric also listened to the Commission during the most recent DSM goals proceeding in 2019 and proposes to add additional education on renewable energy in the company's current Energy Education, Awareness and Agency Outreach program.

Tampa Electric believes that these proposed modifications to its existing DSM Plan will deliver cost-effective energy savings to its customers, promote greater customer satisfaction, and achieve the goals of FEECA. Customers will benefit by the adoption of the Updated DSM Plan rather than retaining the existing DSM Plan, and approval now will avoid delay which would arise if the company were required to refile this Update DSM Plan and undergo another regulatory proceeding. Administrative efficiency would be achieved by approving this significantly improved Update DSM Plan now.

If you have any questions regarding these comments, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read "James D. Beasley". The signature is fluid and cursive, with a long horizontal stroke at the end.

James D. Beasley

cc: All Parties of Record