

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In Re: Energy Conservation Cost )  
Recovery Clause ) DOCKET NO. 140002-EI  
 ) FILED: SEPTEMBER 26, 2014  
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**PREHEARING STATEMENT OF WALMART STORES EAST, LP  
AND SAM'S EAST, INC.**

Wal-Mart Stores East, LP and Sam's East, Inc. ("Walmart"), pursuant to the Order Establishing Procedure in this docket, Order No. PSC-14-0085-PCO-EG, issued February 4, 2014, and Order No. PSC-14-0189-PCO-EI, issued April 22, 2014, hereby submit this Prehearing Statement.

**APPEARANCES:**

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On behalf of Walmart Stores East, LP and Sam's East, Inc.

1. **WITNESSES:**

Kenneth E. Baker (Issues 4A, 4B, 4C)  
Steve W. Chriss (Issues 4A, 4B, 4C)

2. **EXHIBITS:**

Through Mr. Baker and Mr. Chriss, Walmart is sponsoring the

following exhibits.

Exhibit KEB-1: Qualifications of Kenneth E. Baker

Exhibit KEB-2: Energy Efficiency and Demand Side Management  
Programs of the Companies

Exhibit KEB-3: Oklahoma Administrative Code Section OAC  
165:35-41-3

Exhibit KEB-4 Public Service Company of Oklahoma and Duke  
Energy Carolinas' South Carolina DSM-EE  
tariffs

Exhibit KEB-5 PSC of South Carolina, Order No. 2008-251-E

Exhibit SWC-1: Witness Qualifications Statement of Steve W.  
Chriss

Exhibit SWC-2: Illustrative Part E and Part D Rates

Exhibit SWC-3: Public Service Company of Oklahoma Demand  
Side Management Cost Recovery Rider Factor  
Calculation

Walmart reserves its rights to introduce exhibits on cross-  
examination.

### 3. STATEMENT OF BASIC POSITION

Walmart has established itself as an industry leader in  
energy conservation, renewable energy, and sustainability by  
making operational and financial commitments to environmental  
stewardship in many aspects of our business. In 2005, Walmart

made the following commitments:

1. To be supplied 100% renewable energy;
2. To create zero waste; and
3. To sell products that sustain people and the environment in the United States and throughout the world.

Additionally, in 2013, Walmart made two additional commitments:

1. To scale renewable energy through driving the annual production or procurement of seven billion kWh of renewable energy across Walmart's global footprint by December 31, 2020 - an increase of over 600 percent compared to 2010; and

2. To accelerate energy efficiency by reducing the energy intensity - measured in kilowatt-hours per square foot of commercial space - required to power our buildings around the world by 20 percent by December 31, 2020 as compared to 2010 levels.

In this docket, the Commission should require the utilities to separate their Energy Conservation Cost Recovery expenditures into two categories, one for Energy Efficiency (EE) programs and the other for Demand Side Management (DSM) programs, and the Commission should then allow pro-active non-residential customers who implement their own Energy Efficiency programs and meet certain other criteria to opt out of participating in a utility's EE programs and not be required to pay the cost recovery charges

for the utility's EE programs approved by the Commission pursuant to Section 366.82, Florida Statutes.

Walmart suggests and recommends the following criteria in order for a customer to be eligible to opt out of EE program participation and charges:

1. Aggregated consumption by a single customer of more than 15 million kWh of electricity per year across all eligible accounts, meters, or service locations within each Company's service area.
2. To be designated an eligible account that account may not have taken benefits under designated EE programs within 2 years before the period for which the customer is opting out.
3. An eligible account may not opt in to participate in the designated EE programs for 2 years after the first day of the year of the period in which the customer first opts out.
4. The customer must certify to the Company that the customer either (a) has implemented, within the prior 5 years, EE measures that have reduced the customer's usage, measured in kWh per square foot of space, or other similar measure as applicable, by a percentage at least as great as the Company's energy efficiency reductions through its approved EE programs, expressed as a percentage of the Company's total retail kWh sales as measured over the same time period; or (b) has performed an energy audit or energy use analysis within the three year period preceding the customer's opt out request and confirms to the utility, that the

customer has either implemented the recommended measures or that the customer has a definite plan to implement qualifying EE programs within 24 months following the date of the opt out request.

Regarding the calculation and structure of the proposed separate charges for EE and DSM programs, the Commission should require that the ECCR rates be split into two components: (1) ECCR "Part E", for energy program-related costs and (2) ECCR "Part D", for demand program-related costs. For a given customer class or group of classes, the Part E rate would be calculated as the energy-related revenue requirement allocated to the class or group of classes divided by the applicable kWh or kW billing determinants for that class or group of classes. The Part D rate would then be calculated as the demand revenue requirement divided by the applicable kWh or kW billing determinants for that class or group of classes.

For purposes of calculating the ECCR Part E and Part D rates, Walmart does not oppose the use of each respective utility's approved classification of its energy conservation program costs into energy-related and demand-related components.

#### 4. STATEMENT OF ISSUES AND POSITIONS

##### **GENERIC LEGAL ISSUE**

**ISSUE A:** For each utility, what is the appropriate end date for the Commission's approved solar pilot programs?

**Walmart:** The utilities should continue their solar pilot programs indefinitely.

**GENERIC CONSERVATION COST RECOVERY ISSUES**

**ISSUE 1:** What are the final conservation cost recovery true-up amounts for the period January 2013 through December 2013?

**Walmart:** No position at this time.

**ISSUE 2:** What are the total conservation cost recovery amounts to be collected during the period January 2015 through December 2015?

**Walmart:** No position at this time.

**ISSUE 3:** What are the conservation cost recovery factors for the period January 2015 through December 2015?

**Walmart:** No position at this time.

**ISSUE 4:** What should be the effective date of the new conservation cost recovery factors for billing purposes?

**Walmart:** No position at this time.

**ISSUE 4A:** Should the Commission require the utilities to separate their Energy Conservation Cost Recovery expenditures into two categories, one for Energy Efficiency programs and the other for Demand Side Management programs?

**Walmart:** Yes.

**ISSUE 4B:** Should the Commission allow pro-active non-residential customers who implement their own energy efficiency programs and meet certain other criteria to opt out of the utility's Energy Efficiency programs and not be required to pay the cost recovery charges for the utility's Energy Efficiency programs approved by the

Commission pursuant to Section 366.82, Florida Statutes?

**Walmart:** Yes.

**ISSUE 4C:** If the Commission allows pro-active customers to opt out of participating in, and paying for, a utility's Energy Efficiency programs, what criteria should the Commission apply in determining whether customers who wish to opt out are eligible to do so?

**Walmart:** The eligibility criteria should be those described in the prefiled direct testimony of Kenneth E. Baker.

#### **COMPANY SPECIFIC CONSERVATION COST RECOVERY ISSUE**

##### **Tampa Electric Company**

**ISSUE 5:** What is the Contracted Credit Value for the GSLM-2 and GSLM-3 rate riders for Tampa Electric Company for the period January 2015 through December 2015?

**Walmart:** No position at this time.

**ISSUE 6:** What are the residential Price Responsive Load Management (RSVP -1) rate tiers for Tampa Electric Company for the period January 2015 through December 2015?

**Walmart:** No position at this time.

#### **5. STIPULATED ISSUES:**

Walmart is not aware of any stipulated issues at this time.

#### **6. PENDING MOTIONS:**

None at this time.

7. STATEMENT OF PARTY'S PENDING REQUESTS OR CLAIMS FOR CONFIDENTIALITY:

None at this time.

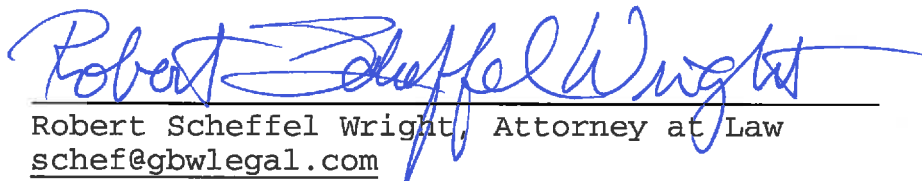
8. OBJECTIONS TO QUALIFICATION OF WITNESSES AS AN EXPERT:

None at this time.

9. STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE:

There are no requirements of the Order Establishing Procedure with which Walmart cannot comply.

Respectfully submitted this 26th day of September, 2014.



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**CERTIFICATE OF SERVICE**

**I HEREBY CERTIFY** that a true and correct copy of the foregoing has been furnished by electronic Mail this 26th day of September, 2014 to the following:

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