Brandy Butler

From: Brandy Butler on behalf of Records Clerk
Sent: Thursday, January 11, 2018 3:38 PM
To: 'george@cavros-law.com'
Cc: Consumer Contact
Subject: FW: Letter in Support of Tampa Electric Street Light Conversion DSM program; Docket Nos. 20170198, 20170199
Attachments: SACE-Comment-StLightConvProgram.pdf

Good afternoon Mr. Carvos,

We will be placing your comments below in consumer correspondence in Docket Nos. 20170198/20170199 and forwarding your comments to the Office of Consumer Assistance and Outreach.

Sincerely,

Brandy Butler
Commission Deputy Clerk I
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399
Phone: (850) 413-7123

From: George Cavros [mailto:george@cavros-law.com]
Sent: Thursday, January 11, 2018 1:44 PM
To: Records Clerk
Cc: James D. Beasley; Jeffrey Wahlen; Office of Commissioner Brown; Office Of Commissioner Graham; Office of Commissioner Polmann; Office Of Commissioner Clark; Paula Brown
Subject: Letter in Support of Tampa Electric Street Light Conversion DSM program; Docket Nos. 20170198, 20170199

Dear Commission Clerk,

Southern Alliance for Clean Energy files the attached letter in support of the Tampa Electric Street Light Conversion DSM program in Docket Nos. 21070198 & 20170199. Please feel free to contact me with any questions. Thank you in advance for your assistance.

Sincerely, George Cavros

George Cavros, Esq.
120 E. Oakland Park Blvd., Suite 105
Fort Lauderdale, Florida 33334
954/295-5714

cleanenergy.org
Southern Alliance for Clean Energy

1.866.522.SACE
www.cleanenergy.org

P.O. Box 1842
Knoxville, TN 37901
865.637.6055

46 Orchard Street
Asheville, NC 28801
828.254.6776

250 Arizona Avenue, NE
Atlanta, GA 30307
404.373.5832

P.O. Box 310
Indian Rocks Beach, FL 33785
954.295.5714

P.O. Box 13673
Charleston, SC 29422
843.225.2371

January 11, 2018

Chairman Graham, Commissioners Brown, Pollman, and Clark
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

Re: Tampa Electric Company's Petition 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; Docket No. 20170198; and
Re: Tampa Electric Company's Street and Outdoor Lighting Conversion Program; Docket No. 20170199

Dear Commissioners:

Southern Alliance for Clean Energy (SACE) submits these comments in support of Tampa Electric's proposed Street and Outdoor Lighting Conversion program. Tampa Electric filed two related petitions on September 5, 2017 that for a five-year program that will convert 209,821 non-LED fixtures to LED fixtures. The program provides a unique opportunity to cost-effectively reduce winter peak demand and overall energy use on Tampa Electric's system - which furthers the legislative intent of the Florida Energy Efficiency and Conservation Act (FEECA) which will lead to smarter, more efficient, and cleaner utility system. The program is a "win" for the utility, its customers, and the greater Tampa community.

FEECA provides that it is "it is critical to utilize the most efficient and cost-effective demand-side renewable energy systems and conservation systems in order to protect the health, prosperity, and general welfare of the state and its citizens. Reduction in, and control of, the growth rates of electric consumption and of weather-sensitive peak demand are of particular importance."[1]

We commend Tampa Electric for identifying a new DSM plan that will provide "additional savings over and above [its] current approved DSM savings."[2] The proposed program will benefit customers in four distinct categories:

- Existing (grandfathered) HPS and MH customers would be converted to LED lighting fixtures, with resulting bills comparable to their current bills. The weighted average savings per fixture is $0.46 per month. Only 5% of the fixtures converted will see a bill increase, with most of increased monthly charges estimated at less than 5%.

[1] Section 366.81, F.S.
[2] James D. Beasley, Letter on Behalf of Tampa Electric to PSC Staff, PSC Docket Nos. 20170198-EI and 20170199-EI (November 20, 2017).

- Existing (proposed to be grandfathered) LED lighting customers will receive the new LED product and receive the benefits of the improved technology and rates when their existing product requires replacement.
- Future (new) LED lighting customers will be served with an updated rate reflecting improved cost opportunities. For example, Tampa Electric proposes a new tariff for a roadway LED of 16,251 lumens of $12.26 per month, compared to $14.10 in its existing tariff for timed service on a roadway LED of 15,285 lumens. Customers will be receiving better service at a reduced rate.
- Non-lighting customers will likely benefit from reduced rates as well, as demonstrated by a score of 1.05 on the rate impact measure test.

Tampa Electric's program is projected to produce a total winter peak demand savings of 29.7 MW and an annual energy savings of approximately 127.9 GWh by the completion of the project. Tampa Electric is projecting that the program will require cost recovery of $24.5 million in unamortized light fixture costs through the ECCR clause. The program will save $114.4 million, resulting in net benefits (nominal) of $89.9 million. In net present value terms, the total resource savings will be $25.1 million over the 25-year program evaluation period.[3]

Based on these and other data, Tampa Electric determined that the proposed LED conversion program is cost-effective using all three cost-effectiveness tests utilized by the Commission for demand side management programs and measures. Therefore, the program furthers the state's goal of cost-effectively reducing electric consumption and reducing peak demand.

This comes as no surprise as LED technology uses 60% less electricity and lasts five times longer than current non-LED street lighting technologies. Increased manufacturing scale has provided manufacturers the ability to achieve competitive pricing for LED lighting by reducing their costs and coupled with the energy efficiency gains, has fueled a rapid adoption of this technology by the commercial and industrial sectors due to its overall competitive cost of ownership. LEDs also utilize fewer operational parts and therefore have fewer components that can fail and cause an outage which makes the technology more reliable than non-LED technologies.

One improvement to the service is that the new LED fixtures will utilize a next generation photocell, called a Networked Lighting Controller (NLC). The NLC not only contains a photocell to control the on-at-dusk and off-at-dawn service of the LED fixtures but also has embedded wireless communication technology that will enable Tampa Electric to remotely sense maintenance and outage events for those fixtures and can provide remote turn on, turn off, or dimming capabilities of the fixtures. Tampa Electric's Lighting Conversion Program is in coordination with the company's planned buildout of a mesh network communication architecture to support the company's Advanced Metering Infrastructure (AMI). This mesh network will be utilized for communication from the NLCs, within the new LED fixtures providing significant community benefits.

Tampa Electric's universal customer participation approach is beneficial from both a cost and equity perspective.[4] Tampa Electric's costs will be lower due to bulk purchases of lighting, enabling Tampa Electric to benefit not only grandfathered customers but new customers as well. It will be more equitable since the program provides fair rates for both less expensive local government lighting as well as more expensive lights used in settings where design choices have been valued, such as upscale subdivisions.

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[3] Tampa Electric Petition, PSC Docket No 20170198, p. 5 and 62; Tampa Electric Petition, PSC Docket No 20170199, p. 11, September 5, 2017.

[4] Tampa Electric, Response to Staff's Third Data Request No. 2, December 13, 2017.

Tampa Electric states that approximately 35 percent of its lighting services are delivered to government customers within the company's service territory, primarily for roadway lighting.[5] Street lighting is often the first or second largest local government energy use, typically accounting for 25-50% of a municipal energy bill.[6] Efficiency improvements in the proposed conversion program offer a significant value proposition for both municipalities and electric utilities. Municipalities are able to reduce operating costs while Tampa Electric can cost-effectively defer or avoid expensive investments in generation, transmission, or distribution, help meet and exceed demand reduction and energy savings goals, and provide a value-added service to improve customer satisfaction. We are pleased to see that many municipal governments have filed letters in support of the petitions.

For the reasons stated above, SACE supports Tampa Electric's forward-thinking street and outdoor lighting conversion program. It likewise deserves the Commission's support and we respectfully request that you approve the two petitions.

Sincerely,

/s/ George Cavros

George Cavros,
Southern Alliance for Clean Energy
Florida Energy Policy Attorney

[5] Tampa Electric Petition, PSC Docket No 20170198, p. 5.
[6] CityLab, *The Secret Energy Drain on Cities: Streetlights*, April 2012, at http://www.citylab.com/cityfixer/2012/04/secret-energy-drain-cities-streetlights/1856/