

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

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In the Matter of:

DOCKET NO. 20170258-EQ

PETITION FOR APPROVAL OF A
STANDARD INTERCONNECTION
AGREEMENT FOR
INTERCONNECTED
CUSTOMER-OWNED BATTERY
SUBSYSTEMS, BY TAMPA
ELECTRIC COMPANY.

_____ /

PROCEEDINGS: COMMISSION CONFERENCE AGENDA
ITEM NO. 11

COMMISSIONERS
PARTICIPATING: CHAIRMAN ART GRAHAM
COMMISSIONER JULIE I. BROWN
COMMISSIONER DONALD J. POLMANN
COMMISSIONER GARY F. CLARK

DATE: Tuesday, February 6, 2018

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: ANDREA KOMARIDIS
Court Reporter and
Notary Public in and for
the State of Florida at Large

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1 P R O C E E D I N G S

2 CHAIRMAN GRAHAM: Move on to Item No. 11.

3 MS. THOMPSON: Takira Thompson with Commission
4 staff.

5 Item No. 11 is Tampa Electric Company's
6 petition for approval of its interconnection
7 agreements for customer-owned and rented battery
8 subsystems. These agreements allow customers
9 owning and renting battery subsystems to safely
10 interconnect to and operate in parallel with the
11 utility's electrical grid.

12 Staff has reviewed the utility's petition and
13 recommends that it be approved. No comments were
14 filed in this docket. Staff and the utility are
15 available for any questions.

16 CHAIRMAN GRAHAM: Commissioner Brown.

17 COMMISSIONER BROWN: Thank you.

18 And this is the first that we've seen before
19 this Commission of this type of interconnection
20 agreement, correct?

21 MS. THOMPSON: Yes.

22 COMMISSIONER BROWN: Did this arise as a
23 result of the hurricanes?

24 MS. THOMPSON: I am not sure, but that is our
25 understanding. The utility is available to answer

1 any questions.

2 COMMISSIONER BROWN: So, it notes that
3 there -- the utility anticipates only 73 customer-
4 owned battery subsystems. I'm curious how TECO got
5 to that number. If you could elaborate, that would
6 be great.

7 MR. ASHBURN: Commissioner, Bill Ashburn with
8 Tampa Electric Company.

9 So, these are battery systems that are being
10 marketed to our customers. And they are --

11 COMMISSIONER BROWN: Are they being marketed
12 through TECO or through a third party?

13 MR. ASHBURN: Through third parties. And they
14 are asking for the ability to operate in parallel
15 with our system. So, the interconnection agreement
16 is to allow them to operate in parallel and
17 identify when they need to disconnect from our
18 system and when they can operate independently of
19 our system. So, that's basically what the
20 agreement is for.

21 COMMISSIONER BROWN: How are you being
22 notified that these systems are in existence? In
23 operation through net-metering arrangements?

24 MR. ASHBURN: So, some of the batteries are in
25 association with the PV's array. So, there's a net

1 metering function there already for the PV. And
2 they're anticipated that sometimes these will be
3 sold with the new PV array. So, we'll get that
4 information when it's a PV array interconnect or
5 net metering.

6 But some are just stand-alone. People just
7 want a battery in their house for -- for whatever
8 reason. They serve several purposes. They will
9 not run very long. You know, they're -- only put
10 out about enough energy to run a house for about
11 two, three hours really in Florida with air
12 conditioning and everything. So, they're not going
13 to help out much in a hurricane.

14 There is possibility, if a hurricane comes and
15 takes out the electric grid and we're out for weeks
16 or something like that, for the house, and they
17 have a PV, the PV can recharge the battery during
18 the day and they may be able to run a little bit
19 longer over some period of time, but they only can
20 run a house for a few hours.

21 COMMISSIONER BROWN: How does -- how will TECO
22 be notified of users trying to implement this --
23 these --

24 MR. ASHBURN: Right. We've been in contact
25 with the installers of these batteries and

1 communicating with them. So, we're going to
2 maintain relationships with them. It's the same
3 thing as we did with PVs in the early years when
4 they started the company.

5 We started identifying those who were going to
6 put in PV and alert them that, when you put in a
7 PV, you're going to have to get an interconnection
8 agreement with us, as well as permitting with the
9 county or the city or whatever. So, it -- it's
10 kind of going to be working with them over time to
11 build up that relationship.

12 COMMISSIONER BROWN: But then, under this
13 interconnection, TECO has the final right of
14 approval for the -- the overall battery. That's
15 the way I read it.

16 MR. ASHBURN: Well, we have the right for it
17 to be connected to us and operated in parallels.
18 There's actually quite a few -- I won't say quite a
19 few. Maybe a dozen or more of these batteries have
20 been installed at customers' already. They're not
21 interconnected, so they can't operate in parallel.
22 If our power goes off, they can turn the battery
23 on, but -- but we're not going to let them run in
24 parallel until they have the agreement.

25 COMMISSIONER BROWN: And they're going to need

1 additional insurance protecting --

2 MR. ASHBURN: Right. Right, just like we do
3 with the PV interconnect.

4 COMMISSIONER BROWN: Okay. How did you come
5 up with the 73 number?

6 MR. ASHBURN: The 70 -- how many there are?

7 COMMISSIONER BROWN: No, you anticipate
8 interconnecting 73 systems.

9 MR. ASHBURN: Oh, yes. Well, we're talking
10 about -- at -- at this point, there's only the
11 one vendor who's been talking to us about these
12 batteries. It's -- it's Tesla. And it's the power
13 wall. There's no secret there.

14 So, they have told us that they've installed
15 maybe a dozen of them, and they have about --

16 COMMISSIONER BROWN: How much are those power
17 walls?

18 MR. ASHBURN: Excuse me?

19 COMMISSIONER BROWN: How much are those power
20 walls?

21 MR. ASHBURN: We're talking multiple thousands
22 of dollars, like, you know -- I don't know, five or
23 six or seven, something like that, to put one in.
24 And you can gang them up. So, you can put two or
25 three at your house, too.

1 And they said they have a backlog of about 50
2 or so that they're -- 50 or 60. And then there's
3 about a dozen that's been installed already. Now,
4 they say that they're going to continue to --
5 they've got a lot of people in line, ready to come,
6 ready to sign up, but waiting for this
7 interconnection. So, they're eager to have this
8 approved so they can really start marketing --

9 COMMISSIONER BROWN: Thank you. And thank you
10 for putting this forth. It makes sense for -- for
11 the grid and for the ratepayers.

12 So, with -- if there are other questions?

13 CHAIRMAN GRAHAM: Commissioner Clark.

14 COMMISSIONER CLARK: Thank you, Mr. Chairman.

15 In the notice, it says that the utility
16 company is reimbursing the consumers for the cost
17 of the switch.

18 MR. ASHBURN: Yes.

19 COMMISSIONER CLARK: Could you share with us
20 what that -- how much that cost is? And my
21 curiosity is: Why is the utility paying for the
22 switch.

23 MR. ASHBURN: So, one of the other important
24 elements of this is safety. In fact, that's one of
25 the big reasons we have these interconnection

1 agreements. And we have, over the last ten or more
2 years, while we were interconnecting PV arrays,
3 required that they put in a switch.

4 And the switch is a visible load-break switch
5 on the side of the house where a lineman or someone
6 else can see it and can turn off the equipment.
7 And that was for safety of our -- our linemen,
8 safety of the neighbors.

9 And you talked about hurricanes. So, we've
10 been concerned and heard stories elsewhere about,
11 you know, a fire department shows up at the house
12 and suddenly the -- the thing is still running,
13 either the battery is running or the PV is running
14 and the house is lit. And they're afraid to throw
15 water on the house. They don't want to do that.

16 So, for a safety measure, we've required
17 people to put these switches on the side of the
18 house, so that either us or fireman can throw
19 them -- turn the power off and rescue people or
20 turn out the fire or whatever the emergency is.

21 It's an expensive option to put a switch on
22 the house for a customer. It's -- it can be --
23 depending on where the PV array or where the
24 battery is or how far away it is or how close it is
25 to where the battery -- the -- where the meter is,

1 it can be 500, a thousand dollars. It could be
2 more than that.

3 So, we have -- when we started out with PVs,
4 we -- we knew that this was a barrier and wanted
5 people to still put in the switch in. And so, we
6 were reimbursing people for putting the switch in.
7 And we've continued that practice for PVs to this
8 day and found it to be very successful.

9 COMMISSIONER CLARK: So, would you also pay
10 for a switch if someone were putting in, let's just
11 say, diesel back-up generator to their house?

12 MR. ASHBURN: No, because they are not
13 permitted to operate those in parallel with our
14 system.

15 So, if you had a Honda in your garage, right,
16 for the hur- -- the classic Honda in the garage
17 when the hurricane comes -- they are not allowed or
18 cannot run it in parallel with our system. So,
19 when the power -- when -- when the power goes off
20 from our grid, then they can start it up and run
21 it.

22 And it's a place usually outside where we --
23 someone can go see it and turn it off if they want
24 to, right? I mean, you can hear it running and
25 someone can go and turn it off. The PV is silent.

1 The battery is silent. No one knows that it's
2 running except they see the lights on, and they
3 don't know what's going on.

4 So, we -- the switch is -- is a very important
5 safety measure.

6 COMMISSIONER CLARK: Thank you.

7 CHAIRMAN GRAHAM: Well, I -- it's interesting
8 that Commissioner Clark brought that up. I
9 understand, because there's very few of them right
10 now, it's -- it's more of a safety issue more than
11 anything else. But what happens when this starts
12 to pick up a little bit? Because our policy is
13 always trying to put the cost with the cost-
14 causers.

15 MR. ASHBURN: Right.

16 CHAIRMAN GRAHAM: And now, everybody is
17 picking up the cost of this switch.

18 MR. ASHBURN: Right. Well, that will be -- if
19 it becomes that big a deal, we'll come back to you
20 and see if there is something we should change.

21 It was -- when we -- when we determined to put
22 the switches in back in the early 2000s, it was
23 determined that that was a cost barrier to put PV
24 on the roofs. And so, the Commission didn't like
25 the idea of us having them having to pay another

1 500 to a thousand dollars to put the switch in.
2 So, we've been doing it ever since, reimbursing
3 customers for putting them in or putting them in
4 ourselves, and so forth.

5 It's been successful. We still only have a
6 couple of thousand, maybe, customers that have a
7 PV. So, it hasn't been burdensome. But if it does
8 become burdensome, we'll come back to you and maybe
9 suggest a different approach.

10 CHAIRMAN GRAHAM: When this number hits 146,
11 you'll be back?

12 MR. ASHBURN: I'm not sure that's the number,
13 but you know, if it gets to 146,000, we certainly
14 would be coming to you, talking about it.

15 CHAIRMAN GRAHAM: Okay. Commissioners,
16 motion, please.

17 COMMISSIONER BROWN: Move staff recommendation
18 on Item 3 -- 11.

19 CHAIRMAN GRAHAM: It's been moved and
20 seconded, staff recommendation Item No. 11.

21 Any further discussion? Seeing none, all in
22 favor, say aye.

23 (Chorus of ayes.)

24 CHAIRMAN GRAHAM: Any opposed?

25 By your action, you have approved staff

1 recommendation, item No. 11.

2 (Agenda item concluded.)

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CERTIFICATE OF REPORTER

STATE OF FLORIDA)
COUNTY OF LEON)

I, ANDREA KOMARIDIS, Court Reporter, do hereby
certify that the foregoing proceeding was heard at the
time and place herein stated.

IT IS FURTHER CERTIFIED that I
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I FURTHER CERTIFY that I am not a relative,
employee, attorney or counsel of any of the parties, nor
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attorney or counsel connected with the action, nor am I
financially interested in the action.

DATED THIS 15th day of February, 2018.



ANDREA KOMARIDIS
NOTARY PUBLIC
COMMISSION #GG060963
EXPIRES February 9, 2021