
Electric & Gas Utility | 2602 Jackson Bluff Road | Tallahassee | FL | 32304 | 850-891-4968

July 6, 2021

Clerk's Office
State of Florida Public Service Commission

Dear Sir/Madam:

The following pages are the City of Tallahassee Electric & Gas Utilities' (TAL) responses to the "DN 20210000-OT (TYSP) Staff's Data Request #2" pursuant to the request received from Florida Public Service Commission (FPSC) Staff member Ms. Patti Zellner. Please note that copies of all narrative and non-narrative responses have been separately provided to Mr. Donald Phillips and Mr. Damian Kistner in the FPSC's Division of Engineering via e-mail per Ms. Zellner's request.

If you should have any questions regarding this report, please feel free to contact me at (850) 891-3130 or paul.clark@talgov.com. Thank you.

Sincerely,



Paul D. Clark, II
Principal Engineer

Attachments

1. Please explain how your Company's Sales to Residential, Commercial, and Industrial classes, as well as the Total Sales to Ultimate Customers, were affected by the COVID-19 Pandemic so far.

The City of Tallahassee, Electric & Gas Utility's (TAL) sales to Residential customers increased considerably, particularly during the early months of the COVID-19 Pandemic due to the increased daytime occupancy resulting from stay-at-home behavior and increased remote work. Conversely, significant reductions in electricity consumption were observed in the Commercial class. TAL has no Industrial customers. For the period from March 2020 through May 2021, actual Residential sales are ~5.0% higher, actual Commercial sales are ~8.2% lower, and Total Sales to Ultimate Customers are ~3.9% lower than the corresponding pre-pandemic projections for the same period in TAL's 2020 Load and Energy Forecast.

2. Please discuss your Company's expectation of the potential impact of the COVID-19 Pandemic and the economic recovery on your Company's Total Sales to Ultimate Customers in 2021 and 2022.

The changes in energy use by customer class observed in 2020 have lingered somewhat into 2021. With ongoing vaccination and business re-opening efforts, though class energy use has not yet returned to pre-pandemic levels, more recent observations indicate a trend in that direction. TAL's 2021 Load and Energy Forecast reflects declining residual impacts from the pandemic on energy use by customer class such that Residential usage may return to pre-pandemic levels by the end of 2022. However, energy use in the Commercial class is not currently expected to fully recover by the end of 2022.

3. Please discuss your Company's expectation of the potential impact of the increasing society-wide awareness of the Climate Change issue on your Company's Total Sales to Ultimate Customers in the near future.

The Climate Change issue has influenced TAL's resource planning efforts for some time and is expected to continue to do so into the future. On February 20, 2019, TAL's City Commission adopted a Clean Energy Plan (CEP) resolution which outlined TAL's continued commitment to sustainability and established the following specific goals:

- *All City facilities to be 100% renewable no later than 2035.*
- *All City main line buses to be 100% electric no later than 2035.*
- *All City light duty vehicles to be 100% electric no later than 2035*
- *All City medium and heavy-duty vehicles converted to 100% electric as technology allows.*
- *No later than 2050, have the Tallahassee community at 100% renewable, including all forms of energy. This would include the electric utility, natural gas utility and transportation.*

TAL executed a contract in June 2020 for consulting services related to its Energy Integrated Resource Planning (EIRP) process and public engagement plan to identify the path forward to meet the 2050 100% clean, renewable energy goal. However, the resulting CEP is not

expected to be complete until at least early 2022. Therefore, TAL does not expect a significant impact on Total Sales to Ultimate Customers in the near future.

TAL has in recent years observed decreases in per customer residential and commercial demand and energy requirements. These decreases have and are projected to continue to be somewhat offset by the increased growth rate in residential and commercial customers. The CEP resolution promotes electrification which may further offset the observed decrease in demand and energy per customer into the future. The CEP will also likely impact TAL's DSM programs and offerings which, in turn, will influence customer energy use patterns. TAL will provide further updates regarding progress with and any changes in future expectations of its CEP and expected impacts on Total Sales to Ultimate Customers in subsequent TYSP reports.

4. Please discuss your Company's expectation of the potential impact of the increased utilization of the electric vehicles in your service area on the Company's Total Sales to Ultimate Customers in the near future.

TAL estimates the current number of electric vehicles (EV) in its Electric Utility service area based on vehicle registrations within Leon County as provided by the State of Florida Department of Highway Safety and Motor Vehicles. Due to low penetration and slow adoption of EVs, TAL has not performed any formal studies to estimate their cumulative impact on Total Sales to Ultimate Customers. Though not currently modeled in its forecast process, TAL does foresee the possibility for development of EV demand and energy use assumptions in its ongoing EIRP and CEP development process. TAL will provide further updates regarding progress with and any changes in future expectations of its CEP and expected EV impacts on Total Sales to Ultimate Customers in subsequent TYSP reports.