

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Tampa
Electric Company to modify
interruption schedule of load
management programs.

DOCKET NO. 990644-EG
ORDER NO. PSC-99-1414-TRF-EG
ISSUED: July 23, 1999

The following Commissioners participated in the disposition of
this matter:

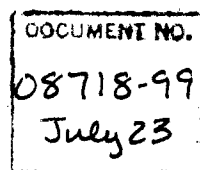
JOE GARCIA, Chairman
J. TERRY DEASON
SUSAN F. CLARK
JULIA L. JOHNSON
E. LEON JACOBS, JR.

ORDER APPROVING MODIFICATIONS TO INTERRUPTION SCHEDULE
FOR LOAD MANAGEMENT PROGRAMS

BY THE COMMISSION:

On June 9, 1995, this Commission issued Order No. PSC-95-0691-FOF-EG, approving Tampa Electric Company's (TECO) residential and commercial/industrial dispatchable load management programs as part of TECO's demand-side management plan. The goal of these programs is the reduction of weather sensitive peak demand. Participating customers receive a monthly credit in exchange for allowing TECO to temporarily interrupt power to certain electric appliances during specified time periods.

On May 18, 1999, TECO filed a petition to expand the potential interruption days for its Residential Load Management (Prime Time) and Commercial/Industrial (C/I) Load Management programs. Currently, TECO can exercise its load management programs during specified weekday hours, whether or not TECO has a capacity shortage. In its petition, TECO requests that Saturdays and Sundays, along with all holidays, be included as potential interruption days. TECO does not request that the load management credits for these programs be adjusted.



In its petition, TECO states that its system has experienced a higher than projected growth rate in recent years. TECO also states that its Prime Time and C/I load management programs can serve as an economical resource to meet this increased peak demand, which may occur on weekends and holidays. TECO does not anticipate a significant increase in the number of interruptions on an annual basis.

In its petition, TECO states that it does not believe the proposed modification will impact the programs' cost-effectiveness. TECO has provided a rate impact measure (RIM) test, valued at 1.2, in support of this statement. The test is based on the assumption that the number of interruptions per year will remain the same. We anticipate, however, that including weekends and holidays as potential interruption days may increase the number of times per year load management is implemented. This would tend to increase the programs' cost-effectiveness.

We note that the changes proposed by TECO are consistent with existing load management programs of other Florida utilities. Florida Power Corporation (FPC) and Florida Power & Light (FPL) have load management programs that include weekends and holidays as potential interruption days. In addition, the credits offered by TECO are equal to or higher than those offered by FPC and FPL in similar programs.

We also note that many utilities possess a Schedule A, emergency power tariff approved by the Federal Energy Regulatory Commission (FERC) which requires purchasing utilities to have exercised load management programs as a condition to purchase such emergency power. Thus, the proposed modifications will allow TECO to purchase Schedule A, emergency power during weekends and holidays.

The proposed modifications include a provision which states that "interruptions will normally occur during prime hours but may occur at any time due to emergencies on the Company's system or other requests for emergency power to serve the needs of firm customers of other utilities." This provision is consistent with Rule 25-6.035(4), Florida Administrative Code, which requires a utility that relies on non-firm load, including load management, in calculating reserves, to make these reserves available to maintain the firm load of other utilities.

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TECO began notifying participating customers of the proposed program modifications on May 15, 1999, in a targeted bill stuffer. The bill stuffer adequately explained the potential changes and stated that TECO does not anticipate the annual number of interruptions to increase. As noted above, however, we anticipate that the number of interruptions may increase. To minimize any potential dissatisfaction, we believe that TECO should be required to send an additional bill stuffer explaining the modifications to participating customers and providing a telephone number for customer questions about the modifications. TECO has agreed to distribute an additional bill stuffer to participating customers, and expects that the expense will be minimal.

For the reasons discussed above, we find that the load management program modifications requested by TECO are reasonable and should be approved. We find that the program modifications should become effective August 5, 1999, thirty days from the date of our decision. This will provide time for TECO to notify participating customers of the new program provisions prior to their effective date.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Tampa Electric Company's petition to modify the interruption schedules for its residential and commercial/industrial load management programs is granted. It is further

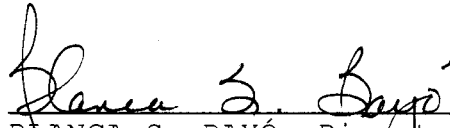
ORDERED that the proposed modifications to Tampa Electric Company's residential and commercial/industrial load management programs shall become effective August 5, 1999. It is further

ORDERED that if a protest is filed within 21 days of issuance of this Order, the tariff shall remain in effect pending resolution of the protest. It is further

ORDERED that if no timely protest is filed, this docket shall be closed upon the issuance of a Consummating Order.

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By ORDER of the Florida Public Service Commission this 23rd
day of July, 1999.



BLANCA S. BAYÓ, Director
Division of Records and Reporting

(S E A L)

WCK

NOTICE OF FURTHER PROCEEDINGS

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the proposed action files a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on August 13, 1999.

In the absence of such a petition, this Order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

Requisition for Photocopying and Mailing

Date 7,27,99
Number of Originals 4 Copies Per Original 19
Requested By Ruth

Item Presented _____
Agenda For (Date) _____ Order No. 99-1414 In Docket No. 990644
Notice of _____ For (Date) _____ In Docket No. _____
Other _____

Special Handling Instructions

Distribution/Mailing

Number	Distributed/Mailed To	Number	Distribution/Mailed To
<u>19</u>	<u>Commission Offices</u>	<u>--</u>	<u>_____</u>
<u>2</u>	<u>Docket Mailing List - Mailed</u>	<u>_____</u>	<u>_____</u>
	<u>Docket Mailing List - Faxed</u>	<u>_____</u>	<u>_____</u>

Note: Items must be mailed and/or returned within one working day after issue unless specified here:

Print Shop Verification

Job Number 252 Verified By Michael
Date and Time Completed 7/28 Job Checked For Correctness and Quality (Initial) ☺

Mail Room Verification

Date Mailed / Verified By /

M E M O R A N D U M

JULY 26, 1999

RECEIVED-EPSC

JUL 23 AM 11:00

RECORDS AND
REPORTING

TO: DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF LEGAL SERVICES (C. KEATING) *RUE WCK*

RE: DOCKET NO. 990644-~~EG~~ - PETITION BY TAMPA ELECTRIC COMPANY
TO MODIFY INTERRUPTION SCHEDULE OF LOAD MANAGEMENT
PROGRAMS

1414-TRIF

Attached is an ORDER APPROVING MODIFICATIONS TO INTERRUPTION SCHEDULE FOR LOAD MANAGEMENT PROGRAMS to be issued in the above-referenced docket. (Number of pages in Order - *74*)

WCK/js
Attachment
cc: Division of Electric and Gas (Harlow, Goad)
I:990644or.wck

See 3

*faxed - 2/0 -
vented -*