State of Florida



Public Serbice Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE:

May 6, 2010

TO:

Office of Commission Clerk (Cole)

FROM:

Division of Economic Regulation (A. Roberts)

Office of the General Counsel (Brown) MCB

RE:

Docket No. 100042-EI – Petition for approval of revised lighting tariff by Tampa

Electric Company.

AGENDA: 05/18/10 – Regular Agenda – Tariff Filing – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER:

Administrative

CRITICAL DATES:

8 months expire September 20, 2010

SPECIAL INSTRUCTIONS:

None

FILE NAME AND LOCATION:

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Case Background

In Docket No. 080675-EI, Tampa Electric Company (TECO) petitioned the Commission to close the 175 and 400 Watt outdoor metal halide (MH) lighting fixtures to new customers after being informed by their suppliers that these two light sizes would no longer be available. The lighting fixtures were discontinued because they did not meet the restrictions of the Energy Independence and Security Act of 2007 (Energy Act)². At the time of TECO's request, there were no replacement fixtures developed that would meet the standards of the Energy Act for the

In re: Petition for approval of revised lighting tariff closing certain metal halide lighting fixtures to new business v Tampa Electric Company.

⁴² U.S.C. 6291, Energy and Independence and Security Act of 2007 (Energy Act), Section 324. Metal Halide Lamp Fixtures.

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175 and 400 Watt outdoor MH fixtures. The Commission approved this request in Order No. PSC-080818-TRF-EI, issued December 19, 2008.

On January 21, 2010, TECO petitioned the Commission for approval to offer six new "replacement" MH outdoor lighting fixtures under its Rate Schedule LS-1. If approved, the new fixtures will be reflected in TECO's revised tariff sheet Nos. 6.805, 6.806, and 6.810.

On March 29, 2010, the Commission suspended current tariff sheet Nos. 6.805, 6.806, and 6.810, to allow staff sufficient time to review and gather all pertinent information in order present the Commission with an informed recommendation.³

The Commission has jurisdiction over this matter pursuant to Sections 366.03, 366.04, 366.05, and 366.06, Florida Statutes (F.S.).

³ See Order No. PSC-10-0182-PCO-EI, issued March 29, 2010, in Docket 100042, <u>In re: Petition for approval of revised lighting tariff by Tampa Electric Company.</u>

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Discussion of Issues

<u>Issue 1</u>: Should the Commission approve TECO's request to revise tariff sheet Nos. 6.805, 6.806, and 6.810 for proposed new Metal Halide fixtures under Rate Schedule LS-1?

Recommendation: Yes. (A. Roberts)

Staff Analysis: TECO is petitioning the Commission for approval to offer six new MH outdoor lighting fixtures under its Rate Schedule LS-1. If approved, the new fixtures will be reflected in TECO's revised tariff sheet Nos. 6.805, 6.806, 6.810. The six new MH fixtures include a 150 watt version of the closed 175 watt post top and shoebox fixtures, and a 350 watt version of the closed 400 watt cobra, floodlight, and shoebox fixtures. The six new MH lighting fixtures chosen to replace the closed fixtures are identical in size, style, and outward appearance; however, the internal components of the fixture, such as the lamp and the ballast which affect the lumen output, lighting pattern, and energy consumption are not the same. The replacement fixtures are designed to be more energy efficient than their earlier counterparts.

The charges for the six new MH lighting fixtures are comprised of three components: a facility charge, maintenance charge, and a non-fuel base energy charge. The facility charge refers to the type of fixture, is similar in nature to a rental charge and is designed to recover the carrying cost of the facility. The maintenance charge is designed to recover the cost of maintaining the fixture. The non-fuel base energy charge applies only to the lighting fixture rates, and is determined by multiplying the kilowatt-hour usage for each fixture by the non-fuel energy customer unit cost determined from the cost of service study as approved in TECO's most recent rate proceeding⁴.

Staff has reviewed necessary cost information submitted by TECO, and believes the charges are reasonable and appropriate. Staff recommends the requested tariff revisions be approved.

⁴ See Order No. PSC-09-0283-FOF-EI, issued April 30, 2009, in Docket No. 080317, In RE: Petition for rate increase by Tampa Electric Company.

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Issue 2: What is the appropriate effective date for the revised tariffs?

Recommendation: The appropriate effective date for the revised tariffs is May 18, 2010. (A. Roberts)

<u>Staff Analysis</u>: If the Commission approves the proposed tariff revisions at the May 18, 2010 Agenda Conference, the tariffs should become effective on that date.

Issue 3: Should this docket be closed?

Recommendation: Yes. If Issue 1 is approved, the docket should be closed if no person whose interests are substantially affected by the Commission's decision files a protest within the 21-day protest period. If a protest is filed the tariffs should remain in effect pending resolution of the protest, with revenues held subject to refund. If no timely protest is filed, this docket should be closed upon issuance of the consummating order. (Brown)

<u>Staff Analysis</u>: If Issue 1 is approved, the docket should be closed if no person whose interests are substantially affected by the Commission's decision files a protest within the 21-day protest period. If a protest is filed the tariffs should remain in effect pending resolution of the protest, with revenues held subject to refund. If no timely protest is filed, this docket should be closed upon issuance of the consummating order.