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September 26, 2014

VIA: ELECTRONIC FILING

Ms. Carlotta S. Stauffer  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

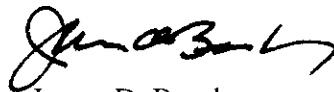
Re: Conservation Cost Recovery Clause  
FPSC Docket No. 140002-EG

Dear Ms. Stauffer:

Attached for filing in the above docket is the original of Tampa Electric Company's Prehearing Statement.

Thank you for your assistance in connection with this matter.

Sincerely,



James D. Beasley

JDB/pp  
Attachment

cc: All Parties of Record (w/attachment)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Energy Conservation Cost )  
Recovery Clause. )  
\_\_\_\_\_ )

DOCKET NO. 140002-EG  
FILED: September 26, 2014

**PREHEARING STATEMENT  
OF TAMPA ELECTRIC COMPANY**

**A. APPEARANCES:**

JAMES D. BEASLEY  
J. JEFFRY WAHLEN  
ASHLEY M. DANIELS  
Ausley & McMullen  
Post Office Box 391  
Tallahassee, Florida 32302  
On behalf of Tampa Electric Company

**B. WITNESSES:**

	<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
(Direct)			
1.	Mark R. Roche (TECO)	Conservation Cost Recovery True-up and Projection; Tampa Electric's company specific issues	1,2,3,4,5,6
(Rebuttal)			
2.	Mark R. Roche (TECO)	Rebuttal to Witnesses, Jeffry Pollock, Kenneth C. Baker and Steve W. Chriss	
3.	J. Terry Deason (TECO)	Rebuttal to Witnesses, Jeffry Pollock, Kenneth C. Baker and Steve W. Chriss	

**C. EXHIBITS:**

<u>Exhibit</u>	<u>Witness</u>	<u>Description</u>
_____	Roche (HTB-1, filed May 2, 2014)	Schedules supporting cost recovery factor, actual January 2013 – December 2013.

<u>          </u> (MRR-1, filed August 27, 2014)	Roche	Schedules supporting conservation costs projected for the period January 2015 – December 2015.
<u>          </u> (MRR-2)	Roche	Expected financial burden of opt out proposals.
<u>          </u> (JTD-1)	Deason	Biographical information.

**D. STATEMENT OF BASIC POSITION**

Tampa Electric's Statement of Basic Position:

The Commission should determine that Tampa Electric has properly calculated its conservation cost recovery true-up and projections and the conservation cost recovery factors set forth in the testimony and exhibits of witness Mark R. Roche during the period January 2015 through December 2015.

The Commission should also approve the Contracted Credit Value Tampa Electric has calculated for the GSLM-2 and GSLM-3 rate riders for use during the period January 2015 through December 2015, also set forth in witness Roche's testimony and exhibits.

**E. STATEMENT OF ISSUES AND POSITIONS**

GENERIC CONSERVATION COST RECOVERY ISSUES

**ISSUE 1:** What are the final conservation cost recovery true-up amounts for the period January 2013 through December 2013?

TECO: An over-recovery of \$5,476,721, including interest. (Witness: Roche)

**ISSUE 2:** What are the total conservation cost recovery amounts to be collected during the period January 2015 through December 2015?

TECO: \$40,995,640 (including current period estimated true-up). (Witness: Roche)

**ISSUE 3:** What are the conservation cost recovery factors for the period January 2015 through December 2015?

TECO: For the period January 2015 through December 2015 the cost recovery rates are as follows:

- 0.247 cents per kWh for Residential
- 0.230 cents per kWh for General Service Non-Demand and Temporary Service
- 0.85 dollars per kW for Full Requirement General Service Demand – Secondary
- 0.85 dollars per kW for Full Requirement General Service Demand – Primary
- 0.84 dollars per kW for Full Requirement General Service Demand – Subtransmission
- 0.85 dollars per kW for Standby Service – Secondary
- 0.85 dollars per kW for Standby Service – Primary
- 0.84 dollars per kW for Standby Service – Subtransmission
- 0.66 dollars per kW for Interruptible Service – Secondary
- 0.65 dollars per kW for Interruptible Service – Primary
- 0.65 dollars per kW for Interruptible Service – Subtransmission
- 0.200 cents per kWh for General Service Demand Optional – Secondary
- 0.198 cents per kWh for General Service Demand Optional – Primary
- 0.196 cents per kWh for General Service Demand Optional – Subtransmission
- 0.101 cents per kWh for Lighting

(Witness: Roche)

**ISSUE 4**: What should be the effective date of the new conservation cost recovery factors for billing purposes?

TECO: The factors should be effective beginning with the specified conservation cost recovery cycle and thereafter for the period January, 2015 through December, 2015. Billing cycles may start before January 1, 2015, and the last cycle may be read after December 31, 2015, so long as each customer is billed for 12 months regardless of when the factors became effective. (Witness: Roche)

#### COMPANY-SPECIFIC CONSERVATION COST RECOVERY ISSUES

##### Tampa Electric Company:

**ISSUE 5**: What is the Contracted Credit Value for the GSLM-2 and GSLM-3 rate riders for Tampa Electric for the period January 2014 through December 2014?

TECO: In accordance with Order No. PSC-99-1778-FOF-EI, issued September 10, 1999 in Docket No. 990037-EI, Tampa Electric has calculated that, for the forthcoming cost

TECO: In accordance with Order No. PSC-99-1778-FOF-EI, issued September 10, 1999 in Docket No. 990037-EI, Tampa Electric has calculated that, for the forthcoming cost recovery period, January 2015 through December 2015, the Contracted Credit Value for the GSLM-2 and GSLM-3 rate riders will be \$8.14 per kW. (Witness: Roche)

**ISSUE 6:** What are the Residential Price Responsive Load Management (RSVP-1) rate tiers for Tampa Electric Company for the period January 2015 through December 2015?

TECO: For the period January 2015 through December 2015 the Residential Price Responsive Load Management (RSVP-1) rates are as follows:

<u>Rate Tier</u>	<u>Cents per kWh</u>
P4	31.885
P3	7.404
P2	(0.709)
P1	(2.429)

(Witness: Roche)

\* \* \* \* \*

Although no specific issue or issues were ever agreed to on this topic, FIPUG and Walmart/Sam's each filed testimony on September 5, 2014, proposing "opt-out" provisions that would allow large non-residential customers to avoid helping fund conservation programs that benefit all customers, including large non-residential customers. Tampa Electric has addressed the deficiencies of these proposals in its rebuttal testimony.

**F. STIPULATED ISSUES**

Tampa Electric is not aware of any stipulated issues as of this date.

**G. PENDING MOTIONS**

Tampa Electric does not have any motions pending at this time.

**I. OBJECTIONS TO WITNESS QUALIFICATIONS AS AN EXPERT**

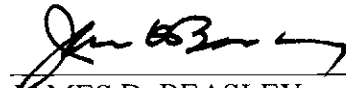
Tampa Electric has no objections to any witness' qualifications as an expert in this proceeding.

**J. COMPLIANCE WITH ORDER NO. PSC-14-0085-PCO-EG**

Tampa Electric has complied with all requirements of the Order Establishing Procedure entered in this docket.

DATED this 26<sup>th</sup> day of September 2014.

Respectfully submitted



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ATTORNEYS FOR TAMPA ELECTRIC COMPANY

**CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing Prehearing Statement, filed on behalf of Tampa Electric Company, has been furnished by electronic mail on this 26<sup>th</sup> day of September 2014 to the following:

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Office of General Counsel  
Florida Public Service Commission  
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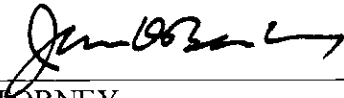
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ATTORNEY