

# AUSLEY McMULLEN

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March 4, 2021

**VIA: ELECTRONIC FILING**

Mr. Adam J. Teitzman  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

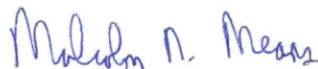
In re: Petition of Tampa Electric Company for approval of Direct Current Microgrid  
Pilot Program; Docket No. 20200234-EI;

Dear Mr. Teitzman:

Attached for filing in the above docket are Tampa Electric Company's **revised** responses to Staff's First Data Request Nos. 2.a, 7.b, 7.c, 19, and 20, propounded on December 23, 2020.

Thank you for your assistance in connection with this matter.

Sincerely,



Malcolm N. Means

MNM/bmp  
Attachment

cc: All Parties of Record (w/attachment)  
Suzanne Brownless, Special Counsel, FPSC (w/attachment)

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 20200234-EI  
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2. Please provide the annual and cumulative revenue requirements (in nominal and net present value) over the life of the Pilot Program. As part of this response please complete the table below in electronic (Excel) format.

TECO		Microgrid			Pilot			Program		
Nominal / NPV \$ million										
	Solar Panels	Block Boxes	CEP Batteries	CEP Gas Generation	Traditional AC Infrastructure	DC Infrastructure	Software	Fuel	O&M	Total
2020										
...										
2050										
Total										

- a. What amount of the O&M is attributed to labor?
- b. Please detail any costs from the estimated total attributed to obligations associated with any of the agreements.

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A. a. See revised table:

TECO Microgrid Pilot Program														
Nominal \$000's														
	Solar	Block Boxes	CEP Batteries	CEP Gas Generation	CEP Other	Traditional AC Infrastructure	DC Infrastructure Conduit	DC Infrastructure Conductor	Fiber	Software	Fuel	O&M	Annual Total	Cumulative Total
2021	58	116	10	22	35	-	7	1	10	-	12	-	272	272
2022	56	113	9	21	34	-	7	1	10	-	12	-	263	535
2023	53	109	9	20	33	-	6	1	10	-	13	-	254	789
2024	51	105	8	20	32	-	6	1	9	-	13	-	246	1,035
TECO Microgrid Pilot Program														
NPV \$000's														
	Solar	Block Boxes	CEP Batteries	CEP Gas Generation	CEP Other	Traditional AC Infrastructure	DC Infrastructure Conduit	DC Infrastructure Conductor	Fiber	Software	Fuel	O&M	Annual Total	Cumulative Total
2021	55	109	9	20	33	-	6	1	10	-	11	-	255	255
2022	49	99	8	19	30	-	6	1	9	-	11	-	231	486
2023	43	90	7	17	27	-	5	1	8	-	10	-	209	695
2024	39	81	6	15	25	-	5	1	7	-	10	-	190	884

b. See response to data request 2.a above.

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7. Please refer to paragraph 9 of the petition.
  - a. Why are there no additional charges to participants in the Pilot Program?
  - b. Are potential Pilot Program participants informed by TECO that they will be billed the same rates as non-participants in the same customer class? If so, please detail how Pilot Program participants are informed of this fact. If not, please explain why not.
  - c. How are potential Pilot Program participants informed by TECO about the terms and conditions of the Pilot Program? Please provide a copy of these materials, if available.
  - d. Please provide a copy of all marketing materials used by TECO to advertise the Pilot Program to potential participants.
  
- A.
  - a. It is not clear, and is a major part goal of the results of the Pilot Program to determine, what overall costs and benefits will accrue from providing service under the DC Microgrid architecture. In addition, for the Pilot Program only, reliability and service obligations to participating customers required that a duplicate AC system be installed for the Pilot Program. This clearly added cost which Tampa Electric sees as a part of the Pilot Program cost and not something that should be levied on the new homeowners. While it is possible that future service under solely a DC Microgrid may require CIACs or a premium rate structure to recover an incremental cost of service from participating customers, the appropriate cost is not clear at the outset of the pilot program and providing electric service to the participating customers at current tariff rate levels seemed appropriate for purposes of the Pilot Program.
  - b. Potential homebuyers are provided with this information through the Tampa Electric information sheet and the Block Energy System Addendum that are described in the amended Response to Staff's First Data Request No. 7c, below.
  - c. Potential homebuyers may learn about the terms and conditions of the Pilot Program through several channels.

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First, Tampa Electric developed marketing materials that describe the Block Energy System and provided them to Lennar for use in marketing homes included in the Pilot Program.

Second, Tampa Electric prepared a concise information sheet that provides potential homebuyers with information about the Block Energy System and this proposed Pilot Program. Tampa Electric provided this sheet to Lennar for distribution to potential homebuyers. A copy of this information sheet is included with this response.

Third, the amended Block Energy System Addendum includes language informing the buyer that they may contact Tampa Electric with any questions about the System or the Pilot along with a phone number and a website link. This purchase and sale agreement includes a "Block Energy System Addendum." This Addendum, which was prepared with input from Tampa Electric, describes the terms of the Pilot Program. The original version of this Addendum included language referring to a restriction on customer-owned rooftop solar during the term of the Pilot Program. Tampa Electric has since amended the Builder Agreement with Lennar to remove this restriction. As a result, Tampa Electric and Lennar prepared a revised version of the Addendum, a copy of which is included with this response.

Fourth, Tampa Electric also prepared a letter that will be delivered to all potential homebuyers that received the original version of the Addendum. This letter explains that customers are free to install their own rooftop solar subject to certain conditions. A copy of this letter is included with this response.

Fifth, the information sheet and the letter inform potential homebuyers that they can contact Tampa Electric with any questions they may have about the Block Energy System or the Pilot Program.

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- d. Tampa Electric is not marketing the program and so has no “marketing materials”. Lennar is marketing the homes to prospective buyers and Tampa Electric has been actively involved in providing appropriate copy and graphics to Lennar, as well as reviewing the marketing materials, to assure that prospective home buyers within the Pilot Program development area are informed about the Pilot Program. With respect to the participants, the service they receive from Tampa Electric will be governed by the terms and conditions of Tampa Electric’s retail tariff.



## Information on Your Home and the Block Energy System

Hello Prospective Homebuyer,

Tampa Electric is the proud energy provider to all homes in the Medley development at Southshore Bay. It is exciting that you are considering one of the select homes using the BlockEnergy™ Microgrid Pilot Program.

This innovative new energy solution will deliver greener and highly reliable electricity directly to your home. It combines renewable solar energy with battery storage and local generation, located right in the Medley subdivision, to create a local energy system, called a microgrid. The microgrid includes Tampa Electric-owned rooftop solar panels on each home that supply electricity to the subdivision.

As a homeowner, you will benefit from this reliable and resilient supply of electricity in your home – while paying the same rate for electricity as other Tampa Electric residential customers.

Homes served by the BlockEnergy Microgrid Pilot Project will have a permanent easement allowing Tampa Electric to place the solar panels on the roof and the Block Box next to the home. These will remain on the property during the pilot program and afterwards, unless Tampa Electric and the Public Service Commission decide to discontinue the program. Tampa Electric will maintain this equipment during the term of the pilot project and afterwards, if the project is continued.

Homeowners in this microgrid may install additional rooftop solar panels on their home. However, Tampa Electric would disconnect the home from the microgrid and would instead serve it through a traditional electric connection. The homeowner would also need to:

- Ensure the solar panels meet Tampa Electric's technical requirements.
- Sign an "interconnection agreement" with Tampa Electric before connecting the solar panels.

If additional solar panels are installed, Tampa Electric will continue to have access to, and receive power from, the company-owned rooftop solar panels on the home.

Because of the added reliability of this new Tampa Electric energy solution, we do not expect homes in the microgrid to need alternate forms of power, such as a backup generator. However, homeowners who choose to install or use a generator should hire a licensed and qualified electrician to ensure that the generator is installed in accordance with applicable laws, codes and requirements.

The brochure provided by the builder highlights some of the additional benefits of owning a home in this community. You can also learn more about it at [www.blockenergy.com/medley](http://www.blockenergy.com/medley). If you would like to contact Tampa Electric to learn more about the BlockEnergy Microgrid Project, please call us at (813) 223-0800 or 1-888-223-0800 Monday through Friday 7:30 a.m. to 6:00 p.m. or email us at [MicroGrid@tampaelectric.com](mailto:MicroGrid@tampaelectric.com).

We look forward to having you become a part of this exciting microgrid project.



March 4, 2021

Hello [Customer name]:

Congratulations on the purchase of your new home in Medley at Southshore Bay. We are thrilled that your home and subdivision are included in our BlockEnergy™ Microgrid Project. This new energy solution brought to you by Tampa Electric delivers a greener and more reliable source of energy by drawing its power from a microgrid of solar panels, batteries and other equipment located in your subdivision. You can learn more about it at <https://blockenergy.com/medley>. We are pleased to have this opportunity to serve your energy needs.

Tampa Electric values its relationship with our customers and strives to be transparent on topics that matter to you. To that end, we want to let you know that you have the right to install additional rooftop solar panels on your home. However, if you choose to do that, Tampa Electric would have to disconnect your home from the BlockEnergy microgrid, and instead serve your home through a traditional electric connection. This will mean that you will not be able to enjoy the benefits of the BlockEnergy™ microgrid.

In addition, if you wish to install your own rooftop solar panels and connect them to the utility grid, you would be required by Florida Public Service Commission Rule 25-6.065 and Tampa Electric's tariff to do the following:

- Ensure your solar panels, inverters and other interconnection equipment meet Tampa Electric's technical requirements; and
- Sign an "interconnection agreement" with Tampa Electric before connecting your solar panels to the Tampa Electric grid.

Please note that if you choose to install your own solar panels on the roof and leave the Microgrid Project, the BlockEnergy Microgrid equipment, including Tampa Electric's solar panels and BlockBox, will still remain on your property for continued operation of the microgrid even if we begin serving your home through a traditional electric connection.



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A second thing we want to make you aware of concerns personal backup generators. With your home connected to this BlockEnergy microgrid, we do not expect you will need additional sources of backup power. However, if you would like to install or use a generator at your home, we suggest that you hire a licensed and qualified electrician to ensure that the generator is installed in accordance with applicable laws, codes and requirements.

In all cases, Tampa Electric suggests that you hire a licensed and qualified electrician anytime you are considering the installation of solar panels, generators and similar equipment on your property, so that any work can be performed safely and in accordance with applicable law and codes.

If you have additional questions about installing your own solar panels please call us at (813) 275-3909 Monday through Friday 7:30 a.m. to 6:00 p.m. or email us at [NetMeters@tecoenergy.com](mailto:NetMeters@tecoenergy.com). If you would like to learn more about the BlockEnergy Microgrid Project, please call us at (813) 223-0800 or 1-888-223-0800 Monday through Friday 7:30 a.m. to 6:00 p.m. or email us at [MicroGrid@tampaelectric.com](mailto:MicroGrid@tampaelectric.com).

Thank you for being a part of this exciting Microgrid Project.











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**19.** Please refer to paragraph 33 of the petition. When was the Developer Agreement signed? Please provide a copy of the signed Developer Agreement.

**A.** The Developer Agreement was executed effective as of October 19, 2020. Tampa Electric filed a Request for Confidential Classification for portions of the Developer Agreement on January 19, 2021. See Doc. No. 01422-2021. The redacted, non-confidential version of the Developer Agreement was attached to Tampa Electric's original response to this Data request and the unredacted, confidential version was included with the Request.

Tampa Electric and Metro executed an Amendment to the Developer Agreement to remove language restricting homeowners from installing their own rooftop solar during the term of the Pilot Program. A copy of this Amendment is included with this response.

**FIRST AMENDMENT TO DEVELOPER AGREEMENT**

**THIS FIRST AMENDMENT TO DEVELOPER AGREEMENT** (this “**First Amendment**”) is made as of \_\_\_\_\_, 2020 (the “**First Amendment Effective Date**”) by and between **TAMPA ELECTRIC COMPANY**, a Florida corporation (“**Tampa Electric**”), **EMERA TECHNOLOGIES FLORIDA, INC.**, a Florida corporation (“**ETL**”), and **DUNE FB DEBT, LLC**, a Delaware limited liability company, whose mailing address is 2502 N. Rocky Point Dr., Ste. 1050, Tampa FL 33607 (“**Developer**”) (Tampa Electric, ETL and Developer are sometimes referred to individually as a “**Party**” and together as the “**Parties**”).

**WITNESSETH:**

**WHEREAS**, the Parties entered into that certain Developer Agreement dated as of October 19, 2020 (the “**Original Agreement**”); and

**WHEREAS**, the Parties desire to amend certain terms and conditions of the Original Agreement pursuant to the terms and conditions herein.

**NOW THEREFORE**, in consideration of the mutual promises, covenants and representations hereinafter set forth, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. **Recitals; Definitions.** The foregoing recitals are true and accurate and are incorporated herein by this reference. Capitalized terms used herein but not defined shall have the respective meanings attributed to them in the Original Agreement. The term, “**Agreement**” shall mean the Original Agreement as modified by this First Amendment.

2. **Ratification.** All terms of the Original Agreement not amended by this First Amendment shall remain unmodified and in full force and effect. Except to the extent otherwise provided herein, the entry into this First Amendment does not waive any of the parties’ respective rights under the Original Agreement, and does not relieve them of their obligations under the Original Agreement.

3. **Revision to Declarations, Covenants, and Restrictions.** Section 3.5.4 of the Original Agreement is hereby deleted in its entirety and Section 3.5.5 of the Original Agreement hereby becomes the new Section 3.5.4 of the Original Agreement.

4. **Miscellaneous.** This First Amendment may be executed in several counterparts, each of which, for all purposes, shall be deemed to constitute an original and all of which counterparts, when taken together, shall be deemed to constitute one and the same agreement. To facilitate the execution and delivery of this First Amendment, the Parties may execute and exchange counterparts of the signature pages by facsimile or PDF, and the signature page of any Party to any counterpart may be appended to any other counterparts. This First Amendment shall be governed by and construed in accordance with the laws of the State of Florida. In the event of a conflict between the terms of the Original Agreement and the terms hereof, this First Amendment shall control.



IN WITNESS WHEREOF, the undersigned have executed this First Amendment effective as of the First Amendment Effective Date.

**Tampa Electric Company**, a Florida corporation

**Dune FB Debt, LLC**, a Delaware limited liability company

*Gerard R. Chasse*  
By: gchasse@tecoenergy.com

Name: Gerard R. Chasse

Title: Vice President - Electric Delivery

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date:

*Archie Collins*  
By: adcollins@tecoenergy.com

Name Archibald D. Collins:

Title: President and Chief Operating Officer

Date: 03/04/2021

**Emera Technologies Florida, Inc.**, a Florida corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date:

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BATES PAGES: 264 - 264b  
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**20.** Please refer to paragraph 35 of the petition. When was the Builder Agreement signed? Please provide a copy of the signed Builders Agreement.

**A.** The Builder Agreement was executed effective as of October 19, 2020. Tampa Electric filed a Request for Confidential Classification for portions of the Builder Agreement on January 19, 2021. See Doc. No. 01422-2021. The redacted, non-confidential version of the Builder Agreement was attached to Tampa Electric's original response to this Data request and the unredacted, confidential version was included with the Request.

Tampa Electric and Lennar executed an Amendment to the Builder Agreement to remove language restricting homeowners from installing their own rooftop solar during the term of the Pilot Program. A copy of this Amendment is included with this response.

**FIRST AMENDMENT TO BUILDER AGREEMENT**

**THIS FIRST AMENDMENT TO BUILDER AGREEMENT** (this “**First Amendment**”) is made as of \_\_\_\_\_, 2021 (the “**First Amendment Effective Date**”) by and between **TAMPA ELECTRIC COMPANY**, a Florida corporation (“**Tampa Electric**”), and **LENNAR HOMES, LLC**, a Florida limited liability company, whose mailing address is 4600 W. Cypress Street, Suite 200, Tampa, Florida 33607 (“**Builder**”) (Tampa Electric and Builder are sometimes referred to individually as a “**Party**” and together as the “**Parties**”).

**WITNESSETH:**

**WHEREAS**, Tampa Electric and Builder entered into that certain Builder Agreement dated as of October 19<sup>th</sup>, 2020 (the “**Original Agreement**”); and

**WHEREAS**, Tampa Electric and Builder desire to amend certain terms and conditions of the Original Agreement pursuant to the terms and conditions herein.

**NOW THEREFORE**, in consideration of the mutual promises, covenants and representations hereinafter set forth, and for other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Tampa Electric and Builder hereby agree as follows:

1. **Recitals; Definitions.** The foregoing recitals are true and accurate and are incorporated herein by this reference. Capitalized terms used herein but not defined shall have the respective meanings attributed to them in the Original Agreement. The term, “**Agreement**” shall mean the Original Agreement as modified by this First Amendment.

2. **Ratification.** All terms of the Original Agreement not amended by this First Amendment shall remain unmodified and in full force and effect. Except to the extent otherwise provided herein, the entry into this First Amendment does not waive any of the parties’ respective rights under the Original Agreement, and does not relieve them of their obligations under the Original Agreement.

3. **Revision to Declarations, Covenants, and Restrictions.** Section 3.6.4 of the Original Agreement is hereby deleted in its entirety and Section 3.6.5 of the Original Agreement hereby becomes the new Section 3.6.4 of the Original Agreement.

4. **Miscellaneous.** This First Amendment may be executed in several counterparts, each of which, for all purposes, shall be deemed to constitute an original and all of which counterparts, when taken together, shall be deemed to constitute one and the same agreement. To facilitate the execution and delivery of this First Amendment, the parties may execute and exchange counterparts of the signature pages by facsimile or PDF, and the signature page of either party to any counterpart may be appended to any other counterpart. This First Amendment shall be governed by and construed in accordance with the laws of the State of Florida. In the event of a conflict between the terms of the Original Agreement and the terms hereof, this First Amendment shall control.

IN WITNESS WHEREOF, the undersigned have executed this First Amendment effective as of the First Amendment Effective Date.

**Tampa Electric Company**, a Florida corporation

**Lennar Homes, LLC**, a Florida limited liability company

*Gerard R. Chasse*  
By: gchasse@tecoenergy.com

Name: Gerard R. Chasse

Title: Vice President-Electric Delivery

*Archie Collins*  
By: adcollins@tecoenergy.com

Name: Archibald D. Collins

Title: President and Chief Operating Officer

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: