

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 20230068-EI

Petition for approval of smart outdoor
lighting services pilot program by Duke
Energy Florida, LLC.

_____ /

PROCEEDINGS: COMMISSION CONFERENCE AGENDA
ITEM NO. 9

COMMISSIONERS
PARTICIPATING: CHAIRMAN ANDREW GILES FAY
COMMISSIONER ART GRAHAM
COMMISSIONER GARY F. CLARK
COMMISSIONER MIKE LA ROSA
COMMISSIONER GABRIELLA PASSIDOMO

DATE: Thursday, November 9, 2023

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: DEBRA R. KRICK
Court Reporter and
Notary Public in and for
the State of Florida at Large

PREMIER REPORTING
TALLAHASSEE, FLORIDA
(850) 894-0828

1 P R O C E E D I N G S

2 CHAIRMAN FAY: All right. Commissioners, next
3 we are going to move to Item No. 9 this morning.

4 Mr. Ward, it looks like -- whenever you are
5 ready. We will let any of our participants or
6 speakers for the parties this morning get set up
7 too.

8 Okay. Mr. Ward, whenever you are ready.

9 MR. WARD: Good morning, Commissioners. This
10 is Oakley Ward on behalf of Commission staff.

11 Item 9 is a petition by Duke Energy Florida,
12 LLC, for the approval of a smart outdoor lighting
13 services pilot program.

14 Under the pilot program, certain customers
15 taking service under rate schedule LS-1 will be
16 able to set their own personal lighting schedules
17 and dim their lights between dusk and dawn. If
18 approved, the pilot would run for a period of 18
19 months beginning on the date of the final
20 Commission order approving the petition.

21 Duke stated that the purpose of the pilot
22 program is to gather data on energy use changes
23 from participating customers so that it can develop
24 a future permanent program that is appropriately
25 priced. This item was deferred from the October

1 Agenda Conference.

2 Staff recommends that the Commission approve
3 Duke's proposed smart outdoor lighting services
4 pilot program and associated revised tariff sheet
5 numbers 6.280 and 6.281 effective the date of the
6 final Commission order approving the pilot.

7 A representative from the utility is available
8 to answer questions.

9 CHAIRMAN FAY: Okay. Great. Mr. Ward, thank
10 you.

11 Commissioners, I have some questions on this
12 item. I just -- real quick, Mr. Cowling, do you
13 want to introduce yourself, or have Ms. Cuello
14 introduce you?

15 MR. COWLING: Yes. Good morning. I am Jim
16 Cowling. I am the Director of the Outdoor Lighting
17 Program at Duke Energy. I have been in this role
18 since 2015. So in this role, I am responsible for
19 all the strategic aspects of the outdoor lighting
20 program.

21 I will be, if approved, leading the
22 implementation of this pilot, and we hope to be
23 able to offer our customers more options on how
24 they utilize our lighting service. So I will
25 gladly entertain any questions you have.

1 CHAIRMAN FAY: Okay. Great. Thank you,
2 Mr. Cowling.

3 You know, I just want to start -- first, thank
4 you for being here. You know, bringing expertise
5 is important for us sometimes. The lawyers don't
6 know it all. I know that's wild to think about,
7 but sometimes those scenarios don't unfold, so I
8 appreciate you taking the time to be up here.

9 Just to start, I think when these types of
10 tariffs and/or programs come to the Commission that
11 are creative, maybe a little bit unusual from what
12 we see, I am typically very supportive of them, and
13 so I appreciate that process of trying to come up
14 with things that maybe are not the norm, but also
15 empower the customer to make some decisions as to
16 what they want to do. So in general, I am
17 supportive of it.

18 I do have a few questions about kind of the
19 process and how it will operate. So if you could
20 just maybe briefly walk me through a current LS-1
21 tariff. So if you had a -- you don't have to name
22 any sort of specific entities, but if you had a
23 client, how would the cost work and the
24 installation and maintenance, that type of thing
25 work under that tariff?

1 MR. COWLING: So these smart nodes replace the
2 existing photocells on top of most of our lighting
3 fixtures. So the standard photocells just screw
4 in, so the smart photocells are just slightly
5 bigger. They do the same thing. And so they
6 establish a two-way communication that we can
7 receive data from, reliability data. We can also
8 communicate back with that smart control and allow
9 it -- the LED fixture to be dimmed or scheduled on
10 or off. So that's kind of a nutshell of how it
11 works, so --

12 CHAIRMAN FAY: And let me ask you this,
13 Mr. Cowling.

14 MR. COWLING: Sure.

15 CHAIRMAN FAY: For somebody -- for an entity
16 that does not have the smart nodes installed, if
17 they were paying the LS-1 tariff, there is
18 different components to that, so I am presuming
19 that entity pays some portion of the installation
20 of that light, and the maintenance, and there is a
21 charge associated with it, is that correct?

22 MR. COWLING: That's correct. Under LS-1, our
23 lights are all -- they are -- the costs go into the
24 cost recovery, which generates our specific rates
25 for the different types of lights.

1 CHAIRMAN FAY: Okay. And then to your point,
2 the installation of the nodes is not a complex
3 process. It's essentially screwing in a new -- I
4 don't want to oversimplify it, but is it screwing
5 in a new lightbulb?

6 MR. COWLING: That's very similar to what it
7 is. It's just screwing is in it. So now, instead
8 of screwing in a standard photo electric cell, we
9 are screwing in the smart node.

10 CHAIRMAN FAY: Okay. And that process of -- I
11 think the recommendation states there is about 250
12 entities that have those replaced nodes.

13 MR. COWLING: That's correct. About 250
14 customers as of the end of July had smart nodes on
15 their systems.

16 CHAIRMAN FAY: Okay. And that process has
17 been done through Duke's intentions to incorporate
18 that technology? In other words, it's not done by
19 demand by the customer itself?

20 MR. COWLING: Correct. We are trying to
21 modernize our fleet. We started with replacing a
22 lot of our existing lights with LEDs, and only
23 offering LED technology as we move into the future.

24 Another thing we did recently was around baby
25 sea turtles. Obviously, that's a huge issue. Our

1 team worked with some vendors and developed the
2 first sea turtle friendly LED high output roadway
3 fixture. So not only will the sea turtles stay
4 safe, but also the citizens will stay safe by
5 having the existing lighting. So this is just
6 another iteration of all those things.

7 CHAIRMAN FAY: Okay. And so then a customer
8 that is on the -- under this program in the LS-1
9 tariff, they have the ability to adjust the -- both
10 the time of usage and the brightness, so I know
11 there is different probably examples as to how this
12 would be done, but maybe just give one or two as to
13 where a customer could arguably save money by
14 making these adjustments if they don't -- they
15 don't need the lights on.

16 MR. COWLING: Well, under the pilot program,
17 we are not adjusting that, but that's what we hope
18 to learn under the pilot program, is how their
19 usage will vary, because in the end, we don't know
20 if they will end up using less kilowatt hours or
21 more depending on how they want to utilize our
22 lighting system.

23 CHAIRMAN FAY: Okay. Great.

24 And then I think just the implementation going
25 forward, you will -- this will be done through the

1 250 -- the current 250 customers for the pilot
2 program. Is the idea long-term that Duke would
3 make these changes either way? I mean, is this
4 something that a technology is being adapted on
5 these lights where all the customers that have
6 these types of lights installed will eventually be
7 updated with this node that allows for control, or
8 is it going to be more -- is the idea that you are
9 looking at the pilot to see if there actually is
10 customer demand? Because I think there is two
11 separate things. It's the cost, and then there is
12 the reality of are customers going to use this if
13 we actually give them the opportunity to do so?

14 MR. COWLING: And that's exactly what we are
15 trying to learn through the pilot, is will the
16 customers utilize this -- these smart controls for
17 dim go and scheduling? So that's what we want to
18 learn from the pilot.

19 We are installing the smart nodes and replace
20 the photocells across the system for the other
21 benefits around the reliability and the two-way
22 communication.

23 CHAIRMAN FAY: Okay. Great. Thank you.

24 Any other questions or comments?

25 Commissioner Passidomo, you are recognized,

1 and then Commissioner Clark.

2 COMMISSIONER PASSIDOMO: Sorry, Commissioner
3 Clark, to snag it from you.

4 I also -- thank you, Mr. Chairman. I also
5 kind of echo his comments. I always like to see
6 these sort of pilot programs and see what -- the
7 data they can get out of it, especially for saving
8 baby sea turtles. I am all for that, of course.

9 Mine is sort of conceptually with this, you
10 know, your updated tariff -- or this updated it
11 program, and giving customers more flexibility. I
12 am just kind of curious as to how that's not going
13 to increase costs by giving them a little bit more
14 time to turn lights on. I know it's only 30
15 minutes, but if every sort of participant does it,
16 could you just walk me through why it can stay at
17 the rate that it's currently at?

18 MR. COWLING: Well, again, through the pilot,
19 we want to learn overall will they use more or less
20 -- more or less kilowatt hours. We really don't
21 know, because some customers have indicated they
22 just want to do some dimming light, for example, a
23 holiday parade through the city center, they may
24 want to dim the street lights while they have the
25 parade through the city center so they can see the

1 holiday lighting better.

2 So we really don't know yet whether they are
3 going to use more or less.

4 COMMISSIONER PASSIDOMO: Okay. So it would
5 just retain -- retaining the same tariff as is and
6 then you will adjust --

7 MR. COWLING: And then we will evaluate at the
8 end. That's correct.

9 COMMISSIONER PASSIDOMO: Okay. Thank you.

10 MR. COWLING: Certainly.

11 CHAIRMAN FAY: Great. Commissioner Clark, and
12 then Commissioner La Rosa.

13 COMMISSIONER CLARK: Thank you, Mr. Chairman.

14 Just an observation, and my first question is,
15 in reviewing the program, there were no financial
16 incentives that are available to this pilot group
17 in the beginning program, is that correct? There
18 is no savings.

19 MR. COWLING: That's correct, in the pilot.
20 Yes.

21 COMMISSIONER CLARK: Typically we see
22 influence in behavior come as a result of shifts in
23 costs and so how do you anticipate to accurately
24 gage what the customer's reactions and behavior is
25 going to be if there is no financial incentive? I

1 think you have got a great observation. Everybody
2 wants to save the turtles too. And looking at the
3 holiday events in things like that, that's a good
4 cause, and I would adjust mine if it was a benefit
5 like that.

6 But in terms of actually influencing my
7 behavior and for me, as a business owner, to take
8 my park lot lights from 100 percent to 50 percent
9 between 11:00 p.m. and 6:00 a.m., or 5:00 a.m. when
10 there is no activity there, wouldn't you get a
11 better result by putting a financial incentive to
12 the consumer to actually see what the behavior is
13 going to be?

14 MR. COWLING: And we have may be able to do
15 that, but that's what we need to learn through a
16 pilot, is in the end, are they utilizing the
17 service more or less? And then once we get our
18 lessons learned, then we can determine, is there
19 some type of financial benefit that we could apply?

20 COMMISSIONER CLARK: But you are -- how are
21 you going to get that customer to actually
22 implement those controls to do the procedure
23 without the financial incentive during the pilot?

24 MR. COWLING: Oh, certainly, because we've had
25 a lot of interest already from customers who want

1 to do this now. They've said, I need to dim my
2 lights during certain hours, or we've had customers
3 who say, I would like to turn on my parking lot
4 lights on at the same time business so they will
5 know my business is still open at night, that type
6 of thing. So we've had a number of -- a variety of
7 customers indicate that.

8 COMMISSIONER CLARK: Okay. Thanks.

9 MR. COWLING: Certainly.

10 CHAIRMAN FAY: Great. Thank you, Commissioner
11 Clark.

12 Commissioner La Rosa.

13 COMMISSIONER LA ROSA: Thank you, Chairman.

14 And so kind of quick question. My familiarity
15 with commercial buildings, and so forth, I have
16 seen a lot of buildings have, like, smart panels,
17 right, that you have got to, you know, get a wire
18 into and, of course, you can control. Would this
19 override that, or how would that interact? I guess
20 where I am leaning to is does the customer, would
21 they need additional equipment to communicate and
22 work with what's being installed?

23 MR. COWLING: No, they could not need any
24 additional equipment. Our lighting system is
25 independent of the customer system.

1 COMMISSIONER LA ROSA: Okay. And then how
2 would they gain control, or could they gain control
3 at some point?

4 MR. COWLING: It's possible. We are not there
5 yet. I really don't know.

6 You know, through the pilot, they make the
7 request, and we actually, you know, execute the
8 program to make the changes. We whether we, in the
9 end, will give them the direct control, we haven't
10 determined that yet, so I really do don't know.

11 COMMISSIONER LA ROSA: All right. Thank you.
12 I --

13 MR. COWLING: Certainly.

14 COMMISSIONER LA ROSA: Chairman, so I see
15 there is a lot of benefits, right, to understand,
16 you know, obviously lighting schedules and whatnot.
17 My experience has been, especially Daylights
18 Savings Time, all of a sudden everything goes off
19 schedule, right? And I think light -- lighting is
20 sometimes a major safety issue that's maybe
21 overlooked, and just schedules are off or equipment
22 is, you know, not functioning. So I understand and
23 see the purpose of this moving forward.

24 CHAIRMAN FAY: Great. Thank you. And thank
25 you to Commissioner Clark for weighing in as

1 business owners. I think it's probably where a lot
2 of the drive is coming for this, is to be
3 responsive to what they may need and how it would
4 look. And I am obviously interested in, as you
5 learned from these pilots, is it something like
6 Commissioner La Rosa mentioned, where the customer
7 eventually gained some form of control so they are
8 able to do it maybe at a quicker rate than they
9 need to.

10 I think Congress is going to fix Daylights
11 Savings Time from what I know, Commissioner La
12 Rosa.

13 COMMISSIONER LA ROSA: We heard about it a
14 long time going. We are still waiting.

15 CHAIRMAN FAY: So I do think eventually maybe
16 we will know more about that, and that's why I am
17 so supportive of bringing forward something like
18 this, because I think it's hard to know what the
19 customer's behavior will be, as Commissioner Clark
20 mentioned, what will incentivize them, and then at
21 the end of the day, maybe you find what is best for
22 them, to give them that ability to do so at some
23 cost or not, depending on what the numbers show.

24 So once again, I appreciate your time for
25 being here this morning.

1 MR. COWLING: Absolutely.

2 CHAIRMAN FAY: Those are all my questions,
3 Commissioners, unless you have any other comments
4 or questions.

5 All right. We will take up a motion on Item
6 No. 9.

7 COMMISSIONER CLARK: Move to approve the pilot
8 program, Mr. Chairman.

9 COMMISSIONER GRAHAM: Second.

10 CHAIRMAN FAY: We have a motion and a second.

11 All that approve say aye.

12 (Chorus of ayes.)

13 CHAIRMAN FAY: Okay. With that, show Item No.
14 9 passed unanimously.

15 Thank you again for being here, Mr. Cowling.

16 MR. COWLING: You are welcome.

17 (Agenda item concluded.)

18

19

20

21

22

23

24

25

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE OF REPORTER


STATE OF FLORIDA)
COUNTY OF LEON)

I, DEBRA KRICK, Court Reporter, do hereby
certify that the foregoing proceeding was heard at the
time and place herein stated.

IT IS FURTHER CERTIFIED that I
stenographically reported the said proceedings; that the
same has been transcribed under my direct supervision;
and that this transcript constitutes a true
transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative,
employee, attorney or counsel of any of the parties, nor
am I a relative or employee of any of the parties'
attorney or counsel connected with the action, nor am I
financially interested in the action.

DATED this 27th day of November, 2023.


DEBRA R. KRICK
NOTARY PUBLIC
COMMISSION #HH31926
EXPIRES AUGUST 13, 2024