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July 9, 2024

VIA ELECTRONIC FILING

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

Re: Docket No. 20240014-EG; Commission Review of Numeric Conservation Goals (Tampa Electric Company)

Dear Mr. Teitzman:

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

Thank you for your assistance in connection with this matter.

Sincerely,

Malcolm N. Means

MNM/bml
Attachment

cc: All Parties of Record

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Commission review of numeric conservation goals (Florida Power & Light Company).	DOCKET NO. 20240012-EG
In re: Commission review of numeric conservation goals (Duke Energy Florida, LLC).	DOCKET NO. 20240013-EG
In re: Commission review of numeric conservation goals (Tampa Electric Company).	DOCKET NO. 20240014-EG
In re: Commission review of numeric conservation Goals (Florida Public Utilities Company).	DOCKET NO. 20240015-EG
In re: Commission review of numeric conservation goals (JEA).	DOCKET NO. 20240016-EG
In re: Commission review of numeric conservation goals (Orlando Utilities Commission).	DOCKET NO. 20240017-EG
	DATED: July 9, 2024

TAMPA ELECTRIC COMPANY'S
PREHEARING STATEMENT

APPEARANCES:

J. JEFFRY WAHLEN
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Post Office Box 391
Tallahassee, Florida 32302
On behalf of Tampa Electric Company

(1) WITNESSES:

	Witness	Subject Matter	Issues
(Direct)			
1.	Mark R. Roche (TECO)	Presentation and support of Tampa Electric Company's Proposed DSM Goals and Programs for 2025-2034	1,2,3,4,5,6,7,8,12,13
2.	Jim Herndon (TECO)	Presentation and summary of the methodology, input data, and findings of the Technical Potential Study conducted for Tampa Electric's subject to the requirements of the Florida Energy Efficiency and Conservation Act ("FEECA")	1
(Rebuttal)			
1.	Mark R. Roche (TECO)	Rebuttal to intervenor witness, Mr. Mackenzie D. Marcelin	

(2). EXHIBITS

Exhibit	Witness	Description
MRR-1	Roche	1. Tampa Electric's proposed DSM goals at the generator for the 2025-2034 period and the portfolio of DSM programs that make up this goal. 2. Tampa Electric's Rate Impact Measure test ("RIM") based DSM goals at the generator for the 2025-2034 period and the portfolio of DSM programs that make up this goal. 3. Tampa Electric's Total Resource Cost test ("TRC") based DSM goals at the generator for the 2025-2034 period and the portfolio of DSM programs that make up this goal. 4. Overall process used to develop the company's proposed DSM goals for the 2025-2034 period. 5. Tampa Electric's Technical Potential Study of Demand Side Management Report. 6. Comprehensive DSM Measure List.

		7. Process used to develop the Technical Potential. 8. Tampa Electric's DSM Technical Potential for Energy Efficiency, Demand Response, and Distributed Energy Resources. 9. Process used to develop the Economic Potential. 10. Tampa Electric's avoided unit cost data used for cost-effectiveness evaluations. 11. Assumptions used for the performance of cost-effectiveness. 12. Tampa Electric's 2025-2034 DSM Economic Potential for the RIM and TRC cost-effectiveness tests. 13. Process used to develop the Economic Potential sensitivity analyses. 14. DSM Economic Potential Sensitivities 15. Free-Ridership Consideration. 16. Proposed individual DSM program detail that supports the proposed DSM goals for the 2025-2034 period. 17. Proposed RIM based individual DSM program detail that supports the RIM based DSM goals for the 2025-2034 period. 18. Proposed TRC based individual DSM program detail that supports the TRC based DSM goals for the 2025-2034 period. 19. Tampa Electric's current DSM programs and achievements. 20. Tampa Electric's proposed DSM Goals. 21. Tampa Electric's proposed DSM programs that achieve the proposed goals.
JH-1	Herndon	Herndon Background and Qualifications
JH-4	Herndon	Technical Potential Study for Tampa Electric Company
JH-8	Herndon	2024 Measure Lists
JH-9	Herndon	Comparison of Comprehensive 2019 Measure Lists to the 2024 Comprehensive Measure Lists
(Rebuttal)		
MRR-2	Roche	Additional Cost Impacts of Mr. Marcelin's Recommendations

(3). STATEMENT OF BASIC POSITION

Tampa Electric Company's Statement of Basic Position:

Based on the analysis performed by Tampa Electric for this current demand side management ("DSM") goals setting process, the company's proposed reasonably achievable generator level DSM goals for the 2025-2034 period are 149.0 MW of summer demand savings, 197.1 MW of winter demand savings, and 450.5 GWh of annual energy savings. These amounts are detailed on an annual basis for both the residential and commercial/industrial sectors in Document No. 1 of the Exhibit of Mr. Mark R. Roche (MRR-1).

The recommended adjustments to Tampa Electric's proposed DSM program participation and goals by Florida Rising, League of United Latin American Citizens ("LULAC"), and Environmental Confederation of Southwest Florida ("ECOSWF") are mainly based upon opinions with no factual basis or a full understanding of the underlying reasons and basis for the company's proposed participation levels that were used to develop Tampa Electric's proposed DSM goals and programs for the 2025-2034 period.

(4). STATEMENT OF ISSUES AND POSITIONS

ISSUE 1: Are the utility's proposed goals based on an adequate assessment of the full technical potential of all available demand-side and supply-side conservation and efficiency measures, including demand-side renewable energy systems?

TECO: Yes. Tampa Electric worked in concert with the other FEECA utilities and Resource Innovations to develop a new Technical Potential Study. This new Technical Potential Study for Tampa Electric was based upon the full load forecast for the company, which ensures the proposed goals are based on an adequate assessment of the full technical potential of all available demand-side and efficiency measures, including demand-side renewable energy systems, pursuant to Section 366.82(3), F.S. (Roche)

ISSUE 2: Are the utility's proposed goals based on savings reasonably achievable through demand-side management programs over a ten year period?

TECO: Yes. Tampa Electric used appropriate data to develop the proposed goals over the ten-year period as required by Rule 25-17.0021, F.A.C. For the summer and winter kW and annual energy (kWh) savings, the company used consistent sources for this data as in prior DSM goals setting proceedings. These sources consisted of either

the Technical Potential Study, Historical Data, or the company's Load Research Data. To project reasonably achievable participation, Tampa Electric used factors such as recent participation, overall program participation to evaluate saturation, changes in proposed incentive levels, changes in equipment incremental cost, any major changes or shifts in technology, current economic conditions, existing program or new, changes in building codes, adoption models, and Bass curves. (Roche)

ISSUE 3: Do the utility's proposed goals adequately reflect the costs and benefits to customers participating?

TECO: Yes. Tampa Electric utilized the Participant Cost Test ("PCT"), as delineated in Rule 25-17.008, F.A.C., to adequately reflect the costs and benefits to customers participating in a DSM measure thereby adhering to the requirement of Section 366.82(3)(a), F.S. (Roche)

ISSUE 4: Do the utility's proposed goals adequately reflect the costs and benefits to the general body of rate payers as a whole, including utility incentives and participant contributions?

TECO: Yes. Tampa Electric utilized the cost-effectiveness methodologies, as delineated in Rule 25-17.008, F.A.C., to adequately reflect the costs and benefits to the general body of ratepayers as a whole, including utility incentives and participant contributions. (Roche)

ISSUE 5: Do the utility's proposed goals adequately reflect the need for incentives to promote both customer-owned and utility-owned energy efficiency and demand side renewable energy systems?

TECO: Yes. For measures that remained cost-effective after taking into account administrative costs but with no incentives, and after the two-year payback screen, Tampa Electric designed the proposed DSM programs that would maximize the proposed DSM goal amounts. Demand side renewable systems proved to remain non-cost effective. In addition, Tampa Electric does not believe incentives for demand side renewable systems are necessary due to the large amount of naturally occurring installations of these systems. (Roche)

ISSUE 6: Do the utility's proposed goals adequately reflect the costs imposed by state and federal regulations on the emissions of greenhouse gases?

TECO: Yes. Currently, there are no state or federal regulations on the emissions of greenhouse gases nor is there any time horizon established on which any such regulation may be enacted. Therefore, the appropriate greenhouse gas emissions

cost utilized by Tampa Electric in the determination of its proposed DSM goals was zero. (Roche)

ISSUE 7: Do the utility's proposed goals appropriately reflect consideration of free riders?

TECO: Yes. Tampa Electric utilized a longstanding Commission practice, initially approved in the 1994 DSM goals proceeding, of screening out measures having a payback period of two years or less without any incentive. This two-year payback criterion is the appropriate means to apply to consider free ridership as required by the Commission's rule. Tampa Electric also provided sensitivities of one and three-year paybacks due to considering free ridership with this method. (Roche)

ISSUE 8: Should demand credit rates for interruptible service, curtailable service, stand-by generation, or similar potential demand response programs be addressed in this proceeding or in the base rate proceedings for the rate regulated FEECA Utilities? If this proceeding, what demand credit rates are appropriate for purposes of establishing the utilities' goals?

TECO: Tampa Electric's 2021 Settlement Agreement establishes standby generator credit and commercial demand response credit rates. Tampa Electric proposes to maintain these credit values in this proceeding. The company's Industrial Load Management ("GSLM 2 & 3") program Contracted Credit Value is determined each year in the Energy Conservation Cost Recovery Clause Docket. Tampa Electric proposes the following appropriate demand credit rates for curtailable service, stand-by generation, or similar demand response programs (other than GSLM 2 & 3) for the 2025-2034 period:

Residential Programs:

Prime Time Plus	Appliance Controlled	Monthly Credit
	Electric Water Heater	$6.00
	Heating and Cooling Equipment	$12.00
	Swimming Pool Pump	$3.00
	Level II Electric Vehicle Charger	$9.00

Commercial/Industrial Programs:

Demand Response
Monthly Credit: $6.15 per kW of transferrable or curtailable load

Commercial Load Management (GSLM 1)
Monthly Credit: $5.00 per kW of demand reduction (cyclic control)
$5.50 per kW of demand reduction (extended control)

Standby Generator
Monthly Credit: $6.15 per kW of transferrable load

ISSUE 9: Should the savings associated with FPL's Residential Low Income Renter Pilot program be included in its conservation goals?

TECO: No position.
(Roche)

ISSUE 10: Is FPL's proposed HVAC On-Bill option for its existing Residential On-Call program with its associated HVAC Services Agreement (proposed Tariff sheets 9.858 through 9.866) a regulated activity within the jurisdiction of the Commission? If not, should the savings associated with FPL's HVAC On-Bill option and HVAC Services Agreement be removed from its conservation goals?

TECO: No position.
(Roche)

ISSUE 11: Should the Commission approve FPL's proposed plan to cap participation for non-RIM Test passing programs once sector-level goals are achieved?

TECO: No position.
(Roche)

ISSUE 12: What residential and commercial/industrial summer and winter megawatt (MW) and annual Gigawatt-hour (GWh) goals should be established for the period 2025-2034?

TECO: Tampa Electric proposes the following residential and commercial/industrial summer and winter megawatt (MW) and annual Gigawatt-hour (GWh) goals should be established for the period 2025-2034 in the charts below:

Tampa Electric's 2025-2034 Proposed Residential DSM Goals at the Generator			
Year	Summer Demand (MW)	Winter Demand (MW)	Annual Energy (GWh)
	Incremental	Incremental	Incremental
2025	7.8	13.8	24.2
2026	7.8	13.8	24.2
2027	8.7	14.4	24.8
2028	8.5	14.3	24.2
2029	8.5	14.3	24.2
2030	9.5	15.0	25.2
2031	9.4	14.9	24.7
2032	9.4	14.9	24.7
2033	9.5	15.0	25.2
2034	9.4	14.9	24.7

The cumulative effect of these residential goals through 2034 would be a summer MW reduction of 88.6 MW, a winter MW reduction of 145.4 MW and cumulative energy savings of 246.2 GWh.

Tampa Electric's 2025-2034 Proposed Commercial/Industrial DSM Goals at the Generator			
Year	Summer Demand (MW)	Winter Demand (MW)	Annual Energy (GWh)
	Incremental	Incremental	Incremental
2025	6.4	5.4	22.2
2026	6.3	5.4	22.2
2027	6.9	5.9	22.3
2028	6.4	5.4	22.3
2029	6.4	5.4	22.3
2030	5.9	5.1	18.6
2031	5.4	4.6	18.6
2032	5.4	4.6	18.6
2033	6.0	5.1	18.6
2034	5.4	4.6	18.6

The cumulative effect of these commercial/industrial goals through 2034 would be a summer MW reduction of 60.5 MW, a winter MW reduction of 51.7 MW and cumulative energy savings of 204.4 GWh.
(Roche)

ISSUE 13: What goals, if any, should be established for increasing the development of demand-side renewable energy systems?

TECO: Goals should not be established for increasing the development of demand-side renewable energy systems as they continue to be non-cost effective. If any goals are set, they should be set at zero, as these measures are not cost-effective. (Roche)

(5). STIPULATED ISSUES

TECO: None at this time.

(6). MOTIONS

TECO: None at this time

(7). PENDING REQUEST OR CLAIMS FOR CONFIDENTIALITY

TECO: None at this time.

(8). OBJECTIONS TO A WITNESS'S QUALIFICATION AS AN EXPERT

TECO: None at this time.

(9). STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE

TECO: Tampa Electric complied with all requirements in the Order Establishing Procedure.

DATED this 9th day of July 2024.

Respectfully submitted,

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ATTORNEYS FOR TAMPA ELECTRIC COMPANY

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of Tampa Electric's Prehearing Statement was served by electronic delivery this 9th day of July 2024 to the following:

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