

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition to approve modifications to neighborhood weatherization and energy education, awareness and agency outreach programs, by Tampa Electric Company.

DOCKET NO. 20170149-EI
ORDER NO. PSC-2017-0363-PAA-EI
ISSUED: September 27, 2017

The following Commissioners participated in the disposition of this matter:

JULIE I. BROWN, Chairman
ART GRAHAM
RONALD A. BRISÉ
DONALD J. POLMANN

NOTICE OF PROPOSED AGENCY ACTION ORDER
APPROVING TAMPA ELECTRIC COMPANY'S PETITION TO APPROVE
MODIFICATIONS TO ITS NEIGHBORHOOD WEATHERIZATION AND ENERGY
EDUCATION, AWARENESS, AND AGENCY OUTREACH PROGRAMS

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are substantially affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code (F.A.C.).

Background

On August 11, 2015, this Commission issued an order approving Tampa Electric Company's (TECO or Utility) Demand-Side Management (DSM) Plan.¹ The DSM plan included TECO's Neighborhood Weatherization Program which was originally approved and implemented in March 2008 and the Energy Education, Awareness and Agency Outreach Conservation Program (Agency Outreach Program), which was originally approved and implemented in March 2010. The Neighborhood Weatherization Program is designed to assist low income families in reducing their energy usage. The goal of the program is to provide and install conservation measures at no cost to the customer. The Agency Outreach Program allows for the delivery of energy efficiency kits that will help educate consumers on practices that help reduce energy consumption.

¹Order No. PSC-15-0323-PAA-EG, issued August 11, 2015, in Docket No. 150081-EG, *In re: Petition for Approval of Demand-Side Management plan of Tampa Electric Company.*

On June 29, 2017, TECO petitioned this Commission for approval to modify its Neighborhood Weatherization and Agency Outreach programs to replace the Compact Fluorescent Lamps (CFLs) currently included as components of the energy efficiency kits for a specified number of Light Emitting Diode Lamps (LEDs). This modification occurred because the vendor that packages the energy efficiency kits for these programs no longer procures CFLs due to a decrease in the price of LEDs.

This Commission has jurisdiction over this matter pursuant to Sections 366.80 through 366.83 and 403.519, Florida Statutes (F.S.), collectively known as the Florida Energy Efficiency and Conservation Act (FEECA).

Review

The criteria used to review the appropriateness of DSM programs are: (1) whether the program advances the policy objectives of FEECA and its implementing rules; (2) whether the program is directly monitorable and yields measureable results; and (3) whether the program is cost-effective.² We have reviewed TECO's petition for approval of modifications to its Neighborhood Weatherization and Agency Outreach programs and find them to be consistent with these criteria.

Program Description

TECO requests our approval to modify its Utility's Neighborhood Weatherization and Agency Outreach programs to replace CFLs with LEDs. TECO states that the vendor who packages the energy efficiency kits for the programs will no longer be procuring CFLs for their energy efficiency kits due to a decrease in the price of LEDs. The proposed change would decrease the number of lamps provided in the Neighborhood Weatherization Program from eight CFLs to six LEDs, and it will keep the number of lamps provided in the Agency Outreach Program the same at four lamps. TECO will transition to the LEDs once the supply of CFLs has been fully exhausted, which is projected to be around the beginning of 2018.

FEECA Policy Objectives/ Program Monitoring and Evaluation

FEECA emphasizes reducing the growth rate of peak demand and reducing and controlling the growth rates of electricity consumption. The change from CFLs to LEDs does not fundamentally change TECO's programs and no changes have been made to existing programs monitoring. In the overall summer and winter demand (kW) and annual energy (kWh) savings evaluations for both the Neighborhood Weatherization and the Agency Outreach programs, the proposed LEDs provide similar demand and energy savings that were originally provided by the current CFLs. The overall summer and winter demand (kW) and annual energy (kWh) savings for each of the programs modified are provided below in the tables below.

²Order No. 22176, issued November 14, 1989, in Docket No. 890737-PU, *In re: Implementation of section 366.80-85 Florida Statutes, Conservation Activities of Electric and Natural Gas Utilities.*

Estimated Program Savings per Participant: Neighborhood Weatherization

	Summer Demand (kW)	Winter Demand (kW)	Annual Energy (kWh)
CFLs	0.241	0.337	1,222
LEDS	0.245	0.339	1,255

Estimated Program Savings per Participant: Agency Outreach

	Summer Demand (kW)	Winter Demand (kW)	Annual Energy (kWh)
CFLs	0.025	0.046	342
LEDS	0.027	0.049	377

Cost-Effectiveness Review

Pursuant to Rule 25-17.008, Florida Administrative Code, TECO provided a cost-effectiveness analysis of the programs using the Participant test, the Rate Impact Measure (RIM) test, and the Total Resource Cost (TRC) test. The Participant test analyzes the cost and benefits from a program participant's point of view. The RIM test ensures that all ratepayers will benefit from a proposed DSM program, not just the program participants. The TRC test measures the overall economic efficiency of a DSM program from a social perspective. Each test estimates the benefits and costs and the program is determined to be cost-effective if the ratio of benefits to costs is greater than one. We have reviewed the assumptions associated with TECO's program savings and find that they are reasonable. The tables below show the results for the cost-effectiveness for the existing CFLs and the proposed LEDs.

Cost-Effectiveness Test Results: Neighborhood Weatherization

	Participant Test	RIM Test	TRC Test
CFLs	36,560	0.66	6.93
LEDS	36,448	0.63	6.14

Cost-Effectiveness Test Results: Agency Outreach

	Participant Test	RIM Test	TRC Test
CFLs	591	0.70	4.14
LEDS	651	0.69	4.01

Based on these cost-effective results, the proposed program modifications would continue to pass the Participants test and the TRC test, but fail the RIM test which is similar to the previously approved programs. Because these programs are educational in nature, it may not be possible for such programs to pass cost-effectiveness tests due to the difficulty in measuring the amount of savings. Educational programs are intended to inform ratepayers about behaviors and the impact of electricity consuming devices. Therefore, we find that the program is beneficial in meeting the goals of FEECA.

Decision

The change from CFLs to LEDs reflects changing technologies and allows TECO's programs to continue to advance the policy objectives of FEECA. The programs are still directly monitorable, yield measurable results, and continue to be reasonably cost-effective for education programs. The program participation standards were submitted concurrently with the program descriptions. We have reviewed these standards and find that they are sufficient. Therefore, we find that costs associated with the modified programs shall be eligible for cost recovery through TECO's Energy Conservation Cost Recovery factor.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Tampa Electric Company's petition to modify its Neighborhood Weatherization and Energy Education, Awareness, and Agency Outreach Programs, as set forth below, is hereby granted. It is further

ORDERED that the provisions of this Order, issued as proposed agency action, shall become final and effective upon the issuance of a Consummating Order unless an appropriate petition, in the form provided by Rule 28-106.201, Florida Administrative Code, is received by the Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on the date set forth in the "Notice of Further Proceedings" attached hereto. It is further

ORDERED that in the event this Order becomes final, this docket shall be closed.

By ORDER of the Florida Public Service Commission this 27th day of September, 2017.



HONGWANG

Chief Deputy Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399
(850) 413-6770
www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing that is available under Section 120.57, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The action proposed herein is preliminary in nature. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on October 18, 2017.

In the absence of such a petition, this order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this/these docket(s) before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.