

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Commission review of numeric
conservation goals (Tampa Electric Company).

DOCKET NO. 20240014-EG
ORDER NO. PSC-2024-0430-FOF-EG
ISSUED: September 20, 2024

The following Commissioners participated in the disposition of this matter:

MIKE LA ROSA, Chairman
ART GRAHAM
GARY F. CLARK
ANDREW GILES FAY
GABRIELLA PASSIDOMO

FINAL ORDER APPROVING NUMERIC CONSERVATION GOALS
FOR TAMPA ELECTRIC COMPANY

APPEARANCES:

J. JEFFRY WAHLEN, MALCOLM N. MEANS and VIRGINIA PONDER,
ESQUIRES, Ausley & McMullen, Post Office Box 391, Tallahassee, Florida
32302

On behalf of Tampa Electric Company (TECO).

SEAN T. GARNER, ERIK SAYLER and KELLY WRIGHT, ESQUIRES,
Florida Department of Agriculture & Consumer Service, Office of General
Counsel, The Mayo Building, 407 S. Calhoun Street, Suite 520, Tallahassee,
Florida 32399-0800

On behalf of Florida Department of Agriculture & Consumer Services (FDACS).

JON C. MOYLE, JR. and KAREN A. PUTNAL, ESQUIRES, Moyle Law Firm,
P.A., 118 North Gadsden Street, Tallahassee, Florida 32301

On behalf of Florida Industrial Power Users Group (FIPUG).

BRADLEY MARSHALL and JORDAN LUEBKEMANN, ESQUIRES,
Earthjustice, 111 S. Martin Luther King Jr. Blvd., Tallahassee, Florida 32301

On behalf of Florida Rising, Inc. (FL Rising) and League of United Latin
American Citizens (LULAC).

WILLIAM C. GARNER, ESQUIRE, Law Office of William C. Garner, PLLC,
3425 Bannerman Road, Unit 105, No. 414, Tallahassee, Florida 32312

On behalf of Southern Alliance for Clean Energy (SACE).

STEPHANIE U. EATON, ESQUIRE, Spilman, Thomas & Battle, PLLC, 110 Oakwood Drive, Suite 500, Winston-Salem, North Carolina 27103

STEVEN W. LEE, ESQUIRE, Qualified Representative, Spilman, Thomas & Battle, PLLC, 1100 Bent Creek Blvd., Suite 101, Mechanicsburg, Pennsylvania 17050

On behalf of Walmart, Inc. (Walmart).

JACOB IMIG, JON RUBOTTOM, and ADRIA HARPER, ESQUIRES, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

On behalf of the Florida Public Service Commission (Staff).

MARY ANNE HELTON, ESQUIRE, Deputy General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Advisor to the Florida Public Service Commission.

KEITH C. HETRICK, ESQUIRE, General Counsel, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850

Florida Public Service Commission General Counsel.

BY THE COMMISSION:

Background

Enacted in 1980, Sections 366.80 through 366.83, and 403.519, Florida Statutes (F.S.), are known collectively as the Florida Energy Efficiency and Conservation Act (FEECA). FEECA requires us to adopt appropriate goals to increase the efficiency of energy consumption and, pursuant to Section 366.82(6), F.S., we must review the goals of each utility subject to FEECA at least every five years.

The six electric utilities subject to FEECA, collectively known as the FEECA Utilities, are Florida Power & Light Company (FPL), Duke Energy Florida, LLC (DEF), Tampa Electric Company (TECO), Florida Public Utilities Company (FPUC), JEA, and Orlando Utilities Commission (OUC). Pursuant to Rule 25-17.0021, Florida Administrative Code (F.A.C.), numeric goals were last established for the FEECA Utilities by Order No. PSC-19-0509-FOF-EU, issued November 26, 2019. Therefore, new goals must be established by January 2025.

By Order No. PSC-2024-0022-PCO-EG, issued February 28, 2024, the dockets for each of the FEECA Utilities were consolidated for purposes of hearing, and controlling dates and a tentative list of issues were established.

We acknowledged the intervention of the Office of Public Counsel (OPC) on February 28, 2024.¹ We acknowledged the intervention of the Florida Department of Agriculture and Consumer Services (FDACS) on April 24, 2024.² The Florida Industrial Power Users Group (FIPUG)³, the Florida League of United Latin American Citizens (LULAC)⁴, and Florida Rising, Inc. (Florida Rising)⁵ were granted leave to intervene on April 25, 2024. The Southern Alliance for Clean Energy (SACE)⁶ and Walmart Inc. (Walmart)⁷ were granted leave to intervene on April 30, 2024. OPC withdrew from the proceeding on May 22, 2024.⁸

Pursuant to Notice and in accordance with Rule 28-106.209, F.A.C., a hearing was held on August 8, 2024, in Tallahassee, Florida, before the above commissioners.

Decision

Legal Background

FEECA directs us to promote four key priorities: (1) reducing and controlling the growth rates of weather-sensitive peak demand and electricity usage, (2) increasing the efficiency and cost-effectiveness of the production and consumption of electricity and natural gas, (3) encouraging demand-side renewable energy systems, and (4) conserving expensive resources, particularly petroleum fuel.⁹ The Legislature emphasized that it is critical to utilize “efficient and cost-effective” conservation systems.¹⁰ Section 366.82, F.S., bifurcates our responsibility under FEECA into two separately docketed proceedings. First, in the goalsetting dockets, we must establish appropriate goals for increasing the efficiency of energy consumption and increasing the development of demand-side renewable energy systems. Following the adoption of goals, in the plan approval dockets, each FEECA Utility must file plans and programs to meet the goals within its service area. The present docket was opened to address the first, goalsetting portion of our FEECA proceedings for TECO.

FEECA requires that we establish goals designed to increase the conservation of expensive resources, such as petroleum fuels; reduce and control the growth rates of electric consumption; reduce the growth rates of weather-sensitive peak demand; and encourage development of demand-side renewable energy resources.¹¹ Section 366.82(3), F.S., prescribes the following criteria for our evaluation of the conservation goals:

¹ Order No. PSC-2024-0051-PCO-EG.

² Order No. PSC-2024-0128-PCO-EG.

³ Order No. PSC-2024-0132-PCO-EG.

⁴ Order No. PSC-2024-0133-PCO-EG.

⁵ Order No. PSC-2024-0135-PCO-EG.

⁶ Order No. PSC-2024-0139-PCO-EG.

⁷ Order No. PSC-2024-0138-PCO-EG.

⁸ DN 00854-2024.

⁹ See Sections 366.81-366.82, F.S.

¹⁰ Section 366.81, F.S.

¹¹ Section 366.82(2), F.S.

In developing the goals, the commission shall evaluate the full technical potential of all available demand-side and supply-side conservation and efficiency measures, including demand-side renewable energy systems. In establishing the goals, the commission shall take into consideration:

- (a) The costs and benefits to customers participating in the measure.
- (b) The costs and benefits to the general body of ratepayers as a whole, including utility incentives and participant contributions.
- (c) The need for incentives to promote both customer-owned and utility-owned energy efficiency and demand-side renewable energy systems.
- (d) The costs imposed by state and federal regulations on the emission of greenhouse gases.

The Commission implements FEECA for electric utilities through Rule 25-17.0021, F.A.C. Pursuant to that rule, for each FEECA Utility, we establish annual kilowatt (KW) and kilowatt-hour (KWh) goals for Residential and Commercial/Industrial customer classes.¹² The goals are based on (1) an assessment of the technical potential of available conservation and efficiency measures, and (2) an estimate of the total cost-effective KW and KWh savings reasonably achievable through demand-side management (DSM) programs in each utility's service area over a ten-year period.¹³ The goals we establish are annual targets for conservation, with KW goals relating to seasonal—summer and winter—demand savings, and annual KWh goals relating to annual energy savings.

Following the last goalsetting proceedings in 2019, after receiving feedback from the utilities, intervenors, and interested persons, we amended Rule 25-17.0021, F.A.C., to streamline our FEECA process by requiring utilities to file potential conservation programs along with their proposed goals. This allows us to analyze the utilities' proposed goals based upon energy (KWh) and demand (KW) savings from customer participation in potential programs they plan to implement, thus giving us better information as to the appropriateness of the goals. Thus, although utility conservation plans and the underlying programs and measures to implement those plans are not approved at this time, each utility must include sufficient information related to the cost-effectiveness of its potential DSM programs to support the appropriateness of its proposed goals.¹⁴

Analysis

Pursuant to Section 366.82, F.A.C., we must evaluate whether the goals requested by TECO are appropriate. Pursuant to the Prehearing Order, Order No. PSC-2024-0293-PHO-EG, issued August 2, 2024, a final list of issues was established for the consolidated hearing. Issues 1-7 address whether each utility, in developing its proposed goals, adequately addressed the considerations prescribed by statute and Commission rule. Issue 8 addresses, for the purpose of establishing goals for rate-regulated utilities, whether we should consider changing credit levels

¹² Rule 25-17.0021(1), F.A.C.

¹³ *Id.*

¹⁴ Section 366.82(7), F.S., addresses how we must evaluate and approve the utilities' plans to implement the Commission-established goals during the subsequent plan approval proceeding.

for demand response programs in the FEECA goalsetting proceedings or in their base rate proceedings. Issues 9-11 were specific only to FPL's docket and thus not at issue for TECO. Issues 12 and 13 are the ultimate issues addressing, in light of the preceding issues, what conservation goals we should establish for TECO as required by Section 366.82, F.S.

Following a robust discovery process, we were presented with a series of proposed Type II stipulations,¹⁵ set forth below in Attachment A, that fully resolved all issues in this docket. TECO, LULAC, Florida Rising, SACE, and Walmart supported the stipulations. FIPUG supported the stipulations on Issues 8A and 8B at the August 8, 2024, hearing and took no position on all other stipulations. FDACS took no position on all issues. Commission staff recommended approval of the proposed stipulations. We approved the proposed stipulations by a bench vote at the August 8, 2024, hearing.

We find that each of the stipulations are supported by evidence in the record. We also find that the testimony and exhibits in the record adequately address the statutory considerations required by Section 366.82(3), F.S., and demonstrate that the goals stipulated for Issues 12 and 13, as set forth in Attachment A, will increase the conservation of expensive resources, such as petroleum fuels; reduce and control the growth rates of electric consumption; reduce the growth rates of weather-sensitive peak demand; and encourage development of demand-side renewable energy resources. In particular, we found the testimony and exhibits of TECO witnesses Jim Herndon and Mark Roche, as well as the discovery responses provided by TECO, support our finding that the stipulated goals are reasonable and consistent with the requirements of Section 366.82, F.S., and Rule 25-17.0021, F.A.C. For these reasons, we find the stipulated goals to be appropriate.

Conclusion

The stipulations listed in Attachment A address all the requirements of FEECA enumerated in Section 366.82, F.S., and satisfy the requirements of Rule 25-17.0021, F.A.C. Further, the conservation goals stipulated in Issues 12 and 13 are appropriate to advance the priorities of FEECA. Therefore, the goals stipulated in Issues 12 and 13 are adopted for TECO for the period 2025-2034.

Based on the foregoing, it is

ORDERED that Tampa Electric Company shall abide by the stipulations, findings, and rulings herein. It is further

ORDERED that Tampa Electric Company's residential and commercial/industrial summer and winter megawatt (MW) and annual gigawatt-hour (GWh) goals are adopted as set forth in Attachment A, Paragraph 6, Issue 12. It is further

¹⁵ A Type II stipulation is one in which the utility and Commission staff, or the utility and at least one party adversarial to the utility, agree on the resolution of an issue, and the remaining parties (including staff if they do not join in the agreement) do not object to the Commission relying on the agreed language to resolve that issue in a final order.

ORDERED that Tampa Electric Company should continue to implement the provisions of Rule 25-6.065, F.A.C., Interconnection and Net Metering of Customer-Owned Renewable Generation, as an appropriate means to encourage the development of demand-side renewable energy. It is further

ORDERED that this docket shall be closed after the time for filing an appeal has run.

By ORDER of the Florida Public Service Commission this 20th day of September, 2024.



ADAM J. TEITZMAN
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 or judicial review of Commission orders that is available under Sections 120.57 or 120.68, 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 or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Office of Commission Clerk, and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

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FPSC - COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Commission review of numeric conservation goals (Tampa Electric Company). | DOCKET NO. 20240014-EG
FILED: August 6, 2024

JOINT NOTICE OF STIPULATIONS

Tampa Electric Company (“Tampa Electric” or “the company”), the League of United Latin American Citizens of Florida (“LULAC”), Florida Rising, Inc. (“Florida Rising”), and the Southern Alliance for Clean Energy (“SACE”), (collectively “Parties”) hereby provide notice that they have reached the following stipulations to fully resolve the Parties’ respective issues in Docket No. 20240014-EG:

1. The Parties stipulate to entry of all pre-filed testimony and exhibits filed in this docket by the Parties into the record.
2. The Parties agree to waive cross-examination of all witnesses in Docket No. 20240014-EG and have no objection to witnesses being excused from appearing at hearing.
3. The Parties stipulate to entry of the following exhibits identified on Staff’s Comprehensive Exhibit List into the record for the above-captioned docket: Exh. Nos. 41-45, 88-124, 138-139, 146, 188-197.
4. The Parties agree that Tampa Electric’s proposed DSM Goals for the ten-year period of 2025-2034 shall be modified to reflect an increase in the annual participation level in Tampa Electric’s proposed Neighborhood Weatherization program from 7,500 to 8,000 for 2025-2034.
5. The Parties stipulate and agree that the modification set forth in Paragraph 4 above is a reasonable compromise of competing positions set forth in the testimony and exhibits set out by the witnesses for Tampa Electric, LULAC, and Florida Rising.

6. Subject to the modification of Tampa Electric's proposed DSM Goals as set forth in Paragraph 4 above, the Parties agree to stipulate to the following positions regarding issues 1-7, 8(b), and 12, as provided below:

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?

STIPULATION: The Parties stipulate and agree that the record supports a Commission finding that Tampa Electric's 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.

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

STIPULATION: The Parties stipulate and agree that the record supports a Commission finding that Tampa Electric's proposed DSM Goals, as modified herein, are based on savings reasonably achievable through demand-side management programs over a ten-year period.

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

STIPULATION: The Parties stipulate and agree that the record supports a Commission finding that Tampa Electric's proposed DSM Goals, as modified herein, adequately reflect the costs and benefits to customers participating.

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?

STIPULATION: The Parties stipulate and agree that the record supports a Commission finding that Tampa Electric's proposed DSM Goals, as modified herein, adequately reflect the costs and benefits to the general body of rate payers as a whole, including utility incentives and participant contributions.

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?

STIPULATION: The Parties stipulate and agree that the record supports a Commission finding that Tampa Electric's proposed DSM Goals, as modified herein, adequately reflect the need for incentives to promote both customer-owned and utility owned energy efficiency and demand side renewable energy systems.

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

STIPULATION: The Parties stipulate and agree that the record supports a Commission finding that Tampa Electric's proposed DSM Goals, as modified herein, adequately reflect the costs imposed by state and federal regulations on the emissions of greenhouse gases.

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

STIPULATION: The Parties stipulate and agree that the record supports a Commission finding that Tampa Electric's proposed DSM Goals, as modified herein, appropriately reflect consideration of free riders.

ISSUE 8(a): 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?

STIPULATION: The Parties stipulate and agree that, for purposes of Tampa Electric only, and for the purposes of this specific docket only, this is not the appropriate proceeding to reset the credits for Tampa Electric's Commercial Demand Response, Industrial Load Management, or Standby Generator programs. The current credits for these programs were set in Tampa Electric's 2021 Stipulation and Settlement agreement, which was approved by the Commission in Order No. PSC-2021-0432-S-EI, issued November 11, 2021, in Docket No. 20210034-EI.

ISSUE 8(b): If this proceeding, what demand credit rates are appropriate for purposes of establishing the utilities' goals?

STIPULATION: The Parties stipulate and agree that the appropriate Commercial/Industrial demand response credits for establishing Tampa Electric’s goals in this proceeding are the credits approved by the Commission in Order No. PSC-2021-0432-S-EI.

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?

STIPULATION: The Parties stipulate and agree that the following Residential summer and winter megawatt (MW) and annual Gigawatt-hour (GWh) goals, which include the modification to the Neighborhood Weatherization Program described in Paragraph 4 above, should be established for the period 2025-2034:

Tampa Electric's 2025-2034 Proposed Residential DSM Goals at the Generator			
Year	Summer Demand (MW)	Winter Demand (MW)	Annual Energy (GWh)
	<u>Incremental</u>	<u>Incremental</u>	<u>Incremental</u>
2025	7.9	14.0	24.8
2026	7.9	14.0	24.8
2027	8.8	14.6	25.4
2028	8.6	14.5	24.8
2029	8.6	14.5	24.8
2030	9.6	15.2	25.8
2031	9.5	15.1	25.3
2032	9.5	15.1	25.3
2033	9.6	15.2	25.8
2034	9.5	15.1	25.3

The cumulative effect of these residential goals through 2034 would be a summer MW reduction of 89.7 MW, a winter MW reduction of 147.1 MW and cumulative energy savings of 252.7 GWh as compared to the original proposed values of 88.6 MW (summer), 145.4 MW (winter), and 246.2 GWh (cumulative energy).

The Parties stipulate and agree that the following Commercial/Industrial summer and winter megawatt (MW) and annual Gigawatt-hour (GWh) goals, which were not affected by the modification to the Neighborhood Weatherization Program described in Paragraph 4 above, should be established for the period 2025-2034:

Tampa Electric's 2025-2034 Proposed Commercial/Industrial DSM Goals at the Generator			
Year	Summer Demand (MW)	Winter Demand (MW)	Annual Energy (GWh)
	<u>Incremental</u>	<u>Incremental</u>	<u>Incremental</u>
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.

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

STIPULATION: The Parties stipulate and agree that the record supports a Commission finding that no additional goals should be established for demand-side renewable energy systems.

ISSUE 14: Should this docket be closed?

STIPULATION: The Parties stipulate and agree that approval of the stipulations set forth herein will fully resolve the issues and positions of all Parties to this docket and, therefore, this docket should be closed upon the issuance of an Order approving these stipulations.

7. The Parties stipulate and agree that Tampa Electric's proposed DSM goals, as modified herein, include both RIM- and TRC-passing programs and will deliver meaningful energy-efficiency savings options to all customers including owners, renters, and low-income customers, and should be approved.

8. The Parties stipulate and agree that Tampa Electric's proposed DSM Goals, as modified herein, are a reasonable approach to meet the requirements of Section 366.82, Florida Statutes, and Rules 25-17.0021 and 25-17.008, Florida Administrative Code, and will establish DSM Goals at a reasonable and appropriate level for the period 2025 through 2034 and should be approved.

9. The Parties stipulate and agree that the stipulations and positions set forth herein are limited and apply only to Tampa Electric's proposed DSM Goals in Docket No. 20240014-EG, and in no way impact or limit any of the positions that Parties may take in any other current or future proceedings before the Commission, including, but not limited to, any other DSM Goals dockets currently pending before the Commission. Further, no Party agrees, concedes, or waives any position with respect to any of the issues identified in the Prehearing Order.

10. The Parties stipulate and agree that these stipulations fully resolve their respective issues in Docket No. 20240014-EG and request that they be approved by the Commission.

Tampa Electric Company

Name: Malcolm N. Means

Title: Attorney for Tampa Electric Company

Signature: Malcolm N. Means

Date: August 5, 2024

**Southern Alliance for Clean Energy
("SACE")**

Name: William C. Garner

Title: Attorney for Southern Alliance for
Clean Energy ("SACE")

Signature: 

Date: 8/5/2024

**League of United Latin American Citizens
of Florida (“LULAC”) & Florida Rising**

Name: Bradley Marshall

Title: Attorney for League of United Latin
American Citizens of Florida (“LULAC”) &
Florida Rising

Signature: 

Date: August 5, 2024

In Witness Whereof, Walmart Inc. evidences its acceptance and agreement with Paragraphs 1-3, Issues 1-8b and 13-14 in Paragraph 6, and Paragraphs 7-10 of the stipulations by signature of its counsel, and takes no position on Paragraphs 4, 5, and Issue 12 in Paragraph 6 of the stipulations.

Walmart Inc.

Name: Stephanie U. Eaton

Title: Attorney for Walmart Inc.

Signature: 

Date: 08/05/24