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May 26, 2009

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COMMISSION  
CLERK

Ms. Ann Cole, Director  
Division of Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399-0850

Re: Petition for approval of a pilot small general service price responsive load management program by Tampa Electric Company; FPSC Docket No. 090228-EG


Dear Ms. Cole:

Enclosed for filing in the above docket are the original and five copies of Tampa Electric Company's answers to Staff's First Data Request dated May 11, 2009.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning same to this writer.

Thank you for your assistance in connection with this matter.

Sincerely,

  
James D. Beasley

COM JDB/pp  
ECR Enclosure

cc: Katherine E. Fleming (w/enc.)

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TAMPA ELECTRIC COMPANY  
DOCKET NO. 090228-EG  
STAFF'S FIRST DATA REQUEST  
REQUEST NO. 1  
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1. Please provide an itemized break-down of the \$286,000 total cost of the pilot program.

A. The itemized costs of the proposed pilot program are listed below:

Payroll	\$ 67,677
Marketing	750
Incentives	2,500
Vehicle	1,500
Installation & Maintenance	27,560
Equipment	36,013
Analysis & Reporting (University of South Florida)	<u>150,000</u>
	<u>\$286,000</u>

TAMPA ELECTRIC COMPANY  
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2. Please explain or describe whether the pilot program would serve solely as an information source for participating customers or whether the pilot program would implement load management.
  - A. The pilot program is not designed to be an information source to participants. Tampa Electric will operate the pilot program in the same manner as the company's approved Residential Variable Pricing Program. Therefore, three pricing tiers will be defined in accordance with the proposed tariff. A fourth pricing tier will be available for implementation as a load management resource during times of system need. The purpose of the pilot will be to collect load data as a function of measuring customer utilization of appliances and equipment relative to the various pricing tiers.

**TAMPA ELECTRIC COMPANY**  
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3. In Paragraph 7 of the petition, it states that the \$286,000 anticipated cost of the General Service Variable Pricing (GSVP) Pilot will be managed through the general research & development program already approved by the Commission in Docket No. 040033-EG.
- a. Please identify the current and historic expenditures for the research and development programs by year for the last 5 years.
  - b. Please explain or describe whether the anticipated cost of the pilot will exceed the annual limits established for the research & development program.
  - c. Please explain or describe whether the anticipated cost of the pilot will exceed the five year limit established for the research & development program.
- A.
- a. Tampa Electric's current and historical expenditures for the last five years for research and development are listed below.

<u>Year</u>	<u>Expenditures</u>
2005	\$2,231
2006	No projects
2007	\$60,000
2008	No projects
2009	<u>\$152,519</u> (year to date)
Total:	\$214,750

- b. Tampa Electric does anticipate the estimated annual limit of \$100,000 will be exceeded. However, in Docket No. 040033-EG, Order No. PSC-05-0181-PAA-EG, issued February 16, 2005, the Commission allowed for annual expenses to exceed the estimated annual expenses as long as the five-year cap of \$500,000 was not exceeded.
- c. The \$286,000 estimated cost of the pilot program will occur throughout the 18-month period of testing and data collection; therefore, the five-year limit of \$500,000 for Tampa Electric's overall research and development effort is not expected to be exceeded.

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4. In Paragraph 7 of the petition, it states that TECO would implement a limit of fifty (50) participants to the program. Please explain or describe how customers who participated in the GSVR Rate Schedule, and then elected to return to another rate schedule would count against this limit.
  - A. Tampa Electric has established 50 customers to be the maximum number of participants with consideration given to the potential for attrition of the test group; therefore, any customer leaving the pilot program will not be replaced.

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5. Regarding Installation and Removal, the petition states that customers seeking to request service under GSVP for a second time, or requesting removal of GSVP service for a second time, will be required to pay additional fees for installation and/or removal costs.
  - a. Please identify the cost to TECO for installation and removal of the equipment necessary for the GSVP Rate Schedule? As part of this response, please identify the items to be installed and removed.
  - b. Please explain or describe whether the revenues from participating customer installation costs be used to reduce the \$286,000 total cost of the pilot program.
  
- A.
  - a. With regard to the Installation and Removal provision of the tariff, Tampa Electric does not anticipate exercising that option during the pilot since customers who elect to discontinue participation in the pilot will not be replaced by themselves or otherwise. The tariff provision is more aligned with actual practice should the pilot program become a permanent offering.
  - b. By not allowing a first time participant to re-enter the pilot program, no revenues are anticipated for collection. However, under a permanent program, revenues collected would be an offset to program expenditures.

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6. Please answer the following questions regarding the technologies needed to accomplish this pilot program:
- a. Please provide a listing of technologies, including costs, to be installed on the customer's side of the meter to enable participation in this program.
  - b. Please provide a listing of technologies, including costs, to be installed on the utility's side of the meter to facilitate this program.
  - c. Please explain or describe whether the technology upgrades needed to facilitate this program on either side of the meter include smart grid technologies.
  - d. Please explain or describe whether smart meters will be required to enable this program.

A.

- a. A list of technologies, including costs, to be installed on the customer's side of the meter to enable participation in this program is listed below.

Smart Thermostat	\$199.51 each
Network Communication Module	\$125.72 each
Load Control Relay	\$99.20 each

- b. A list of technologies, including costs, to be installed on the utility's side of the meter to facilitate this program can be found below:

Pulse Initiating Meter	No Charge
Gateway	\$375.20 each

- c. The technology upgrades and functionality of this pilot program are key components of a fully integrated smart grid system; however, Tampa Electric does not plan to implement a robust infrastructure necessary to be considered a fully functional smart grid application.
- d. The gateway and pulse meter configuration is a form of smart meter application capable of separating and storing the customer's time-sensitive kWh usage in specific tiers for billing and analysis.