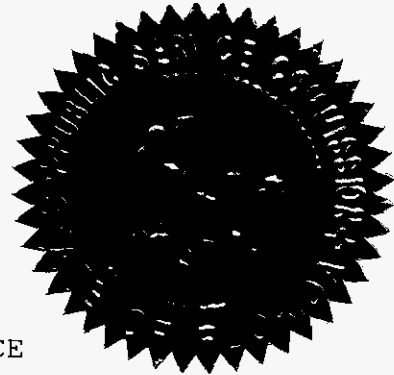


BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of: DOCKET NO. 090164-EI

PETITION FOR APPROVAL OF REVISED  
TARIFF SHEETS FOR UNDERGROUND  
RESIDENTIAL DISTRIBUTION SERVICE,  
BY TAMPA ELECTRIC COMPANY.



PROCEEDINGS: AGENDA CONFERENCE  
ITEM NO. 6

COMMISSIONERS  
PARTICIPATING: CHAIRMAN MATTHEW M. CARTER, II  
COMMISSIONER LISA POLAK EDGAR  
COMMISSIONER NANCY ARGENZIANO  
COMMISSIONER NATHAN A. SKOP  
COMMISSIONER DAVID E. KLEMENT

DATE: Tuesday, October 27, 2009

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

REPORTED BY: LINDA BOLES, RPR, CRR  
Official FPSC Reporter  
(850) 413-6734

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

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3           **CHAIRMAN CARTER:** So we're on Item 6. Okay.

4           **MS. DRAPER:** Commissioners, this is Elizabeth  
5 Draper with staff. And before I introduce the item, I  
6 would like to introduce Ms. Christy Piper who is new to  
7 the Commission. It's her first agenda.

8           Item 6 is a tariff filing by Tampa Electric  
9 Company for underground residential distribution service,  
10 and staff and the company are here to answer your  
11 questions.

12           **CHAIRMAN CARTER:** Okay. Commissioner Skop,  
13 you're recognized, sir.

14           **COMMISSIONER SKOP:** Thank you, Mr. Chair. I'll  
15 make this very, very brief.

16           Simple question, Page 4 of the staff  
17 recommendation, Table 2. The, the cost differential on  
18 the low-density lots has actually decreased slightly;  
19 whereas, the percentage change on the high-density lots  
20 has, has decreased substantially. I was trying to  
21 rationalize that on Page 4 on Line B into looking at the  
22 impact of updated material and labor costs, looking at  
23 how the updated costs went down for low-density  
24 subdivisions which would seem to have more material  
25 consumption and more labor and actually went up for

1 high-density subdivisions that would inherently require  
2 less material and less labor. So if there could be any  
3 explanation as to just that line, that was my only  
4 question.

5 **MS. DRAPER:** Yes, Commissioner. The reason you  
6 see different numbers, the two subdivisions we're dealing  
7 with here are designed differently. Like you said, the  
8 low-density subdivision design contemplates bigger homes,  
9 bigger lots, curvy roads. The high-density subdivision  
10 on the other hand reflects a subdivision with smaller  
11 homes, smaller lots and straight roads. So the material  
12 and labor that go into the construction of the  
13 subdivisions are different.

14 Now staff reviewed the data that TECO provided  
15 to specifically see why the direction is different, and I  
16 believe the answer is in the transformers. And as we  
17 discussed on Page 5 of the recommendation, the cost of  
18 underground transformers went up by more than overhead  
19 transformers. However, the low-density subdivision has  
20 two more overhead than padmount underground transformers,  
21 so there's less of an impact of the larger increase in  
22 padmount transformers. The high-density subdivision on  
23 the other hand has more padmount transformers. It's 20  
24 underground transformers versus 16 overhead transformers.  
25 So the larger increase in underground transformer costs

1 has more of an impact than the differential. And the  
2 cost of a transformer is a large, probably the biggest  
3 item in a subdivision design. So you have different  
4 materials, different labors, they go in different  
5 directions slightly, and that's how you might end up,  
6 when you add up the numbers, with a result like you see  
7 in Line B.

8 **COMMISSIONER SKOP:** Okay. And I appreciate  
9 that. It's just a little counterintuitive to what I was  
10 seeing on the Table 1 of Page 3 that the percentage  
11 changed. But I appreciate that explanation.

12 And, Mr. Chair, with that, if there's no  
13 further questions, I'd move staff recommendation as to  
14 Issues 1 and 2.

15 **COMMISSIONER EDGAR:** Second.

16 **CHAIRMAN CARTER:** Commissioners, it's been  
17 moved and properly seconded. Any questions? Any debate?  
18 Any concern? A motion and a second. All in favor, let  
19 it be known by the sign of aye.

20 (Simultaneous vote.)

21 All those opposed, like sign. Show it done.

22 Thank you, Commissioners. We're going to take  
23 five minutes and then we'll hit Internal Affairs.

24 With that, Commissioners, we are adjourned.

25 (Agenda Item 6 concluded.)

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STATE OF FLORIDA        )  
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COUNTY OF LEON        )

CERTIFICATE OF REPORTER

I, LINDA BOLES, RPR, CRR, Official Commission 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' attorneys or counsel connected with the action, nor am I financially interested in the action.

DATED THIS 10<sup>th</sup> day of November, 2009.

Linda Boles  
LINDA BOLES, RPR, CRR  
FPSC Official Commission Reporter  
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