

BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 170015-EI

PETITION TO AMEND ENERGY  
EDUCATION, AWARENESS AND  
AGENCY OUTREACH PROGRAM, BY  
TAMPA ELECTRIC COMPANY.

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PROCEEDINGS:                    COMMISSION CONFERENCE AGENDA  
ITEM NO. 4

COMMISSIONERS  
PARTICIPATING:                CHAIRMAN JULIE I. BROWN  
                                        COMMISSIONER ART GRAHAM  
                                        COMMISSIONER RONALD A. BRISÉ  
                                        COMMISSIONER JIMMY PATRONIS  
                                        COMMISSIONER DONALD J. POLMANN

DATE:                              Thursday, May 4, 2017

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

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

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

1  
2           **CHAIRMAN BROWN:** All right. Now our last  
3 issue. And I want to apologize to the patient folks in  
4 the back. TECO, thank you for waiting on this issue.  
5 We had to accommodate the customers upfront, so --

6           (Discussion off the record.)

7           Thank you, staff, for also being patient and  
8 taking five out of order, and to the utility and Public  
9 Counsel or if anybody else is here on this item. I want  
10 to thank you guys. We had a request and we tried to  
11 accommodate it, so I appreciate it.

12           Staff, could you introduce this item, please?

13           Ms. Thompson is back.

14           **MS. THOMPSON:** Good afternoon. Takira  
15 Thompson with Commission staff.

16           Item No. 4 is Tampa Electric Company's  
17 petition to amend its Energy Education, Awareness and  
18 Agency Outreach Program. The amended program intends to  
19 offer energy education to select high school students in  
20 the utility's service area and is aimed at reducing the  
21 impact of electric vehicles on the grid by encouraging  
22 offpeak charging and efficient use of vehicles.

23           As noted in our recommendation, staff agrees  
24 that educating customers about energy-efficient  
25 technologies and behaviors is consistent with the policy

1 objectives of the Florida Energy Efficiency and  
2 Conservation Act; however, the proposed amendment may  
3 initially result in an increase of overall energy  
4 consumption. As such, the Commission should encourage  
5 the utility to explore ways to reduce the costs  
6 associated with the amendment such as partnering with  
7 electric vehicle manufacturers.

8 Staff recommends that the proposed amendment  
9 be approved and that the costs associated with this item  
10 are eligible for recovery through the Energy  
11 Conservation Cost Recovery Clause. Because the  
12 potential for future savings associated with the  
13 proposed amendment are speculative, staff would note  
14 that future analysis would be necessary before expansion  
15 of this program or approval of similar programs.

16 There are no customer comments filed in this  
17 docket. The utility is here to answer any question you  
18 may have, and staff is also available for any questions.

19 **CHAIRMAN BROWN:** Thank you, Ms. Thompson.

20 Would the utility like to address us before we  
21 get --

22 **MR. BEASLEY:** Yes, ma'am. Thank you, Madam  
23 Chair.

24 Good afternoon, Commissioners. I'm Jim  
25 Beasley on behalf of Tampa Electric Company. With me

1 today is Mr. Mark Roche to my left, who is the manager  
2 of regulatory rates for Tampa Electric, and to his left,  
3 William Ashburn, who is director of pricing and  
4 financial analysis for Tampa Electric. We support your  
5 staff's recommendation. We believe that the proposed  
6 Electric Vehicles in Schools Program has a great future.  
7 We think it'll provide significant educational value on  
8 the proper and efficient use of electric vehicles. We  
9 urge you to approve it, and we're here to answer any  
10 questions you may have.

11 **CHAIRMAN BROWN:** Thank you, Mr. Beasley, and  
12 thank you for being here today.

13 Commissioners, any questions? This is a  
14 really creative program to incorporate EVs into future  
15 ratepayers and into the educational component. We  
16 haven't seen anything like this before. I got, I got,  
17 quite frankly, got very excited about it. I think it's  
18 a symbolic investment into the future, so I appreciate  
19 what the company is trying to do.

20 I think it's -- again, like I said, it's very  
21 creative. There are six schools that this is intended  
22 for or --

23 **MR. ROCHE:** The schools will be capped at  
24 five. The first year, hopefully, if approved, if the  
25 petition is approved, we would roll out the first school

1 this fall, and then we would select the next four  
2 schools really spread out across our service area for  
3 the start of -- in fall of 2018.

4 **CHAIRMAN BROWN:** My husband would want me to  
5 ask: Is Plant High School going to be one of the  
6 schools?

7 **MR. ROCHE:** Right now we do not know that, but  
8 we do, we do think Bloomingdale High School will be the  
9 first school selected this year.

10 **CHAIRMAN BROWN:** South Tampa.

11 Commissioner Polmann has some questions for  
12 you.

13 **COMMISSIONER POLMANN:** Thank you, Madam Chair.

14 I -- let me first say I support the notion,  
15 electric vehicles. Interesting -- coincidentally, I had  
16 a discussion at home two weeks ago about the value of  
17 having an electric vehicle. My family is in need of  
18 another vehicle, and we're strongly considering that. I  
19 think it has a great use in an urban environment  
20 particularly, and my daughter is at university and it  
21 would be a great application for that.

22 Furthermore, having a setting in a high  
23 school, I've done quite a bit of volunteer work, and I  
24 think it's a great place for this type of program. So I  
25 do support the notion.

1           And with that said, I have a number of  
2 concerns with -- not necessarily with the, with the  
3 concept, but perhaps with the implementation of the  
4 program as it's laid out. So I'd like to address that  
5 and ask a few questions.

6           Staff did note the revision from your original  
7 proposal, but just the same, in the written material and  
8 the comments that we heard today, some aspect of this is  
9 speculative in terms of potential savings going forward,  
10 and some significant consideration needs to be given to  
11 expanding it as we move forward. There is a, also a  
12 concern about how this is to be measured and monitored  
13 with regard to cost-effectiveness. Now there are a  
14 number of criteria that we are to consider within this  
15 educational realm -- the Energy Education, Awareness and  
16 Outreach Program -- and you're certainly aware of those.

17           Now given that, I'd like, as we go through  
18 this, to get your feedback on that, but I have a bit of  
19 concern here on the level of expense on the educational  
20 side compared to the capital investment. So can you,  
21 can you just make a comment on that? I see, you know,  
22 more than 50 percent of this is on capital. Can you  
23 just give us a comment on that?

24           **MR. ROCHE:** Yes, sir. I thought you were  
25 addressing the staff, but --

1                   **COMMISSIONER POLMANN:** No, no. I'd like your  
2 input.

3                   **MR. ROCHE:** You're looking at me.

4                   In regards to speculative, I think when you  
5 look at all of Tampa Electric's energy education  
6 programs, really there are investments that you do that  
7 realize some behavioral benefits into the future. Those  
8 behavioral benefits will be realized, but when you look  
9 at, like, the speculative nature of them, it kind of  
10 has, like, a negative connotation. But even, like, all  
11 of our programs with, you know, residential, commercial,  
12 industrial energy audits, neighborhood weatherization,  
13 this program in its current existence, you know, prior  
14 to the amendment, really all of those programs are  
15 speculative.

16                   So, in other words, like, I would consider  
17 it -- I would not ever recommend to go out and spend,  
18 you know, \$50,000, \$200,000 to try to actually capture  
19 those benefits because I think, as the Commission and  
20 the staff in the past have recognized, that those  
21 benefits are pretty difficult to actually quantify. So,  
22 like, in our current DSM plan, you know, the Energy  
23 Education, Awareness and Agency Outreach Program is  
24 actually not cost-effective. It currently has a RIM  
25 value of .71. With the addition of this program, the

1 RIM value will actually drop to about .59, and that's  
2 with the revised petition.

3 **COMMISSIONER POLMANN:** You know, I appreciate  
4 the, let's say, the loaded nature of the term  
5 "speculative," but, you know, we're looking at a program  
6 that's \$440,000, so it gives me a little bit of pause.  
7 And it raises the question in the back of my mind, you  
8 know, who benefits, who pays? So I'd like your comment  
9 on that. You know, who's -- who actually is paying?  
10 And I've got to believe, you know, it's the entire  
11 customer base; right?

12 **MR. ROCHE:** Yes. Our entire customer base  
13 will, if approved, fund the program. The impact to our  
14 clause, in 2018 when we -- if approved, we would project  
15 those dollars will be an increase of 1.8 cents to the  
16 ECCR clause. Then in 2019 and 2020 it would increase  
17 .4 cents. But really that cost would be spread out  
18 all -- amongst all of our ratepayers.

19 We do think that with electrical vehicle  
20 education, it's important because I think, as we have  
21 seen, electric vehicles and this wave is actually  
22 coming, so that increased load is actually going to get  
23 here sooner or later to our system. Where we view this  
24 program as just one method to try to really get in front  
25 of that, to try to maximize the, you know, the mileage



1 you get from a single charge, try to minimize the number  
2 of charges, as well as educate the young drivers as they  
3 learn to drive the vehicles, to program -- or not to  
4 program, but to charge the vehicles during offpeak  
5 hours, which all of those items in the future will  
6 really benefit all of Tampa Electric's ratepayers.

7 **COMMISSIONER POLMANN:** Okay. If we look at  
8 the particulars in page 5 of the item, in Table 1.1 --  
9 or 1-1, I see, back to the capital costs being  
10 significant, in the total costs we have chargers and  
11 charger installation and charger inspections. By  
12 analogy, for example, as an individual customer, you  
13 know, currently with a gasoline-powered vehicle, I go to  
14 the corner, go to the filling station. I've got  
15 options, I've got different -- you know, I could pay  
16 this grade, this grade, this grade. With an electric  
17 vehicle, if I wish, should I go purchase one of those,  
18 my understanding, I haven't bought one yet, but my  
19 understanding, I can go home in my garage, plug that in  
20 and charge it. Or I've seen charging stations at the  
21 grocery store or at the shopping center I can plug that  
22 in.

23 Is there something special that you're  
24 proposing here at the school that's -- I mean, if I look  
25 at the charger-related costs, you know, they're 175-

1 180-some thousand dollars. Can you explain to me why  
2 that's necessary?

3 **MR. ROCHE:** Yeah. We do think that a Level 2  
4 charger is important to the integral part of the  
5 program. Level 2 chargers are going to be the most  
6 prevalent chargers that drivers as well as these young  
7 drivers are going to experience out as they drive  
8 through the future corridors and future cities or, you  
9 know, where they pull into Walgreens and actually plug  
10 in their vehicle. So it's a little more sophisticated  
11 than, you know, just plugging the vehicle in actually at  
12 the house. So we really think that the Level 2 charger  
13 is important to the program.

14 It also provides us a good, you know, kind of  
15 platform with these young drivers to actually train them  
16 on the safe, you know, operation of the charger, how to  
17 do it in a safe manner, and then as well as educate them  
18 on what is the most appropriate time to charge, which  
19 would be offpeak hours, so you're not adding concurrent  
20 load to our system.

21 **COMMISSIONER POLMANN:** The -- this is a  
22 question -- in looking at those types of costs, have you  
23 considered an alternative to the installation of those  
24 at the school, and then looking at, like, I guess you're  
25 going to end up with multiple schools and that being a

1 significant cost? And I recognize that, you know, the  
2 Level 2 charger may be, in the future, a predominant  
3 thing that they'll see, but, again, that's not something  
4 that they would install at their home. I would hate to  
5 think that if I'm going to buy a car, I need that. It's  
6 going to add on to the cost of the car. It almost makes  
7 is uneconomic for me to even consider. So did you  
8 consider not having the charger at the school? I'm sure  
9 that the school would have the appropriate power and  
10 provide a location for those.

11 **MR. ROCHE:** When we looked at the schools and  
12 what chargers that we were actually going to try to  
13 supply for the program, most schools have their driver's  
14 education portion out, like, on a side parking lot. So  
15 the majority of these charger costs are in the  
16 installation of it, of how do I get power from one of  
17 the power panels within the school to run that out to  
18 the actual parking lot where they actually do the  
19 driving, you know, the training for the actual students.

20 **MR. ASHBURN:** Could I add something to that?  
21 One of the things that you're describing are part of the  
22 curriculum that we're going to be developing. And so  
23 it's -- I kind of relate it to when I was a kid and  
24 learning how to type in school, you know, and I was old  
25 enough that I was learning on a manual typewriter. So

1 the main thing I learned, the main thing I learned was  
2 you had the power left pinkie; right?

3 **COMMISSIONER POLMANN:** I was -- yeah. Best  
4 class I ever took.

5 **MR. ASHBURN:** Exactly. To hit that "A," you  
6 had to really learn how to do that. And now we're going  
7 into -- we went into electric typewriters, then we went  
8 into computers, and you just don't have to have that  
9 powerful pinkie, anymore, training.

10 So having the equipment there is kind of like  
11 talking about a thing and actually showing them the  
12 thing. You could take a driver's education course, I  
13 suppose, online, but that's not the same as driving the  
14 car. And it's the same thing with this. There are ways  
15 to drive the car better if you're in an electric vehicle  
16 than a gasoline-powered vehicle.

17 You brought up one about I feel free to get in  
18 my car and drive almost anywhere. There's going to be a  
19 fossil fuel gasoline station nearby that I can refill it  
20 up. But if you're now driving an electric vehicle, you  
21 have this thing called range anxiety. You worry about  
22 going too far and my car is going to stop. How am I  
23 going to plug it in?

24 And so the things that you're going to see  
25 outside of the home, clearly you're going to have

1 something at the home and you trickle charge it  
2 basically overnight and you get it recharged again. But  
3 when you're out, you want to know if I'm going to drive  
4 from A to B, I'm going to see one of these kind of  
5 chargers out there at a Walgreens or at a rest stop or  
6 somewhere. And so giving them the confidence to be able  
7 to use it is part of the training program that we're  
8 trying to develop.

9 **COMMISSIONER POLMANN:** Well, I appreciate  
10 that.

11 What I'm, what I'm trying to understand is --  
12 well, let me back up.

13 Are you aware of any other programs in Florida  
14 similar to this, or is this something that is unique to,  
15 to your utility? Has this been done?

16 **MR. ASHBURN:** Yeah, Commissioner, we've asked  
17 around. I -- this may be the first time this kind of  
18 program is in the United States.

19 **COMMISSIONER POLMANN:** Oh, okay.

20 **MR. ASHBURN:** We've had -- I've had some  
21 contacts with some of the EEI people and other people in  
22 our company have, and when they bring it up, people's  
23 eyes get all excited and they've never heard of it  
24 before or thought about it.

25 **COMMISSIONER POLMANN:** Well, I'll applaud your

1 effort in that regard.

2 As I said, I support it as a concept. Is  
3 there, is there a consideration that you would be  
4 willing to look at -- and, again, not to say that it's  
5 not the best approach, but there's mention in here in  
6 the document of you pursuing a partnership with EV  
7 manufacturers after the first year hoping to reduce the  
8 capital costs and, you know, working with the schools  
9 and so forth. Is there some consideration that you'd  
10 give to trying to work that into the front end of the  
11 program?

12 You know, when I was in driver's ed, again,  
13 you know, it wasn't that long ago. It seems like a  
14 couple of years.

15 **MR. ASHBURN:** No, no, no. For either one of  
16 us; right?

17 **COMMISSIONER POLMANN:** You know, the same time  
18 I learned how to type. You know, the local dealerships,  
19 they provided those cars. So, you know, I think that's  
20 a great idea to try to, to try to get the manufacturer.  
21 I mean, they want to sell cars. Would you consider  
22 trying to bring that to the front end of the program,  
23 and then also maybe encourage the other IOUs to join  
24 into this? And, you know, from our perspective, I think  
25 this would be great to have a program that could be

1 deployed throughout the state to the benefit of all, all  
2 the regions. You know, I'd like to, I'd like to try to  
3 support this and initiate a program, but then anticipate  
4 that, you know, in the second year, for example, it  
5 could become a much larger program but not necessarily  
6 at this level of cost because you could get support from  
7 manufacturers. And if this helped to reduce driver  
8 education costs at the school board level, that if those  
9 are funded, then that offset cost could help develop  
10 broader curriculum and so forth. Have you considered  
11 those alternatives? I'm not saying that this isn't a  
12 good idea, but I'm just trying to expand it and use this  
13 as a springboard.

14 **MR. ROCHE:** Yes. The current plan is that --  
15 I think for this program to gain success there has to be  
16 a little bit of investment on our part to actually get  
17 this program up and running. As Bill mentioned, we're  
18 not aware of this program anywhere similar to this in  
19 the United States. So that's where we think, with a  
20 little investment on the front end to show the success  
21 of the program, that's where I think that that success  
22 gives us better leverage to partner with maybe an  
23 electric vehicle manufacturer or a charger company to  
24 actually provide those devices rather than having that  
25 cost, you know, paid for by Tampa Electric ratepayers.

1                   **COMMISSIONER POLMANN:** Madam Chairman and  
2                   Commissioners, I want to support this, but I want to  
3                   encourage that there be a little bit more specificity on  
4                   the utility's commitment to these other aspects to seek  
5                   other participation and other funding particularly on  
6                   the capital side.

7                   This is a -- this appears to me to be a heavy  
8                   burden on the customers for the capital side in the  
9                   context of an education program. So I'll just put that  
10                  out here for discussion, for consideration. I'm not  
11                  quite sure how to implement that. I don't, I don't want  
12                  to suggest that we shouldn't proceed, but for a  
13                  four-year commitment on this, I'm having some -- a  
14                  little bit of difficulty with the level of dollars.

15                  **CHAIRMAN BROWN:** Okay. Thank you,  
16                  Commissioner Polmann. And I do appreciate the comments  
17                  and the questions that you asked. I'm very supportive  
18                  of this project, though. I think that in reality that  
19                  \$79 per participating student versus the current program  
20                  is \$99 per energy kit. I think the actual practical  
21                  setting along with the demos will provide much more  
22                  educational value than even the current program  
23                  probably, in essence. I mean, these are future  
24                  ratepayers that are coming right out of the gate. I am  
25                  100 percent supportive of it. I think they scaled back



1 the project significantly. I do think that the fact  
2 that they do need buy-in from the school board is  
3 another kind of checks and balance. I think all  
4 ratepayers will ultimately benefit from the investment  
5 in this educational program. And, again, Commissioners,  
6 I'm fully supportive of it.

7 Commissioner Brisé.

8 **COMMISSIONER BRISÉ:** Thank you, Madam Chair.  
9 And very briefly, I, too, am supportive of the concept,  
10 and I agree with Commissioner Polmann that the company  
11 should do everything possible to see if they can enter  
12 into greater partnerships with EV manufacturers and  
13 battery makers and so forth so that some of those  
14 vehicles could be donated or it could be a partnership  
15 moving forward.

16 But you have to have a product to show, to go  
17 out and interest folks to do that. So with that in  
18 mind, I think this is a great first step in that  
19 direction.

20 The other thing I'm interested in is ensuring  
21 that -- actually let me ask this question. How -- what  
22 is the process in place or envisioned to select the  
23 schools? Because I want to make sure that there is  
24 adequate representation across the spectrum of where the  
25 schools are so that every segment of our society has the

1 same type of experience.

2 **MR. ROCHE:** Yes, Commissioner. We're on  
3 actually -- we're on the same page. The five schools,  
4 the guidance, we do have the program standards. There  
5 will be an application process. But one of the core  
6 items to the program is that we really want the five  
7 schools to cover our entire Tampa Electric service area  
8 so that it includes all of those different ratepayers  
9 that we have.

10 **COMMISSIONER BRISÉ:** Okay. Thank you.

11 **CHAIRMAN BROWN:** Any other questions or  
12 comments? If not, ready for a motion.

13 **COMMISSIONER GRAHAM:** Move staff.

14 **COMMISSIONER PATRONIS:** Second.

15 **CHAIRMAN BROWN:** Any further discussion?

16 All those in favor, signify by saying aye.

17 (Vote taken.)

18 Opposed? All right.

19 Thank you guys for coming in. Thank you for  
20 waiting with us. And this Commission Conference is  
21 adjourned.

22 (Commission Conference adjourned at 12:31  
23 p.m.)

1 STATE OF FLORIDA )  
 :  
2 COUNTY OF LEON ) CERTIFICATE OF REPORTER

3  
4 I, LINDA BOLES, CRR, RPR, Official Commission  
5 Reporter, do hereby certify that the foregoing  
6 proceeding was heard at the time and place herein  
7 stated.

8 IT IS FURTHER CERTIFIED that I  
9 stenographically reported the said proceedings; that the  
10 same has been transcribed under my direct supervision;  
11 and that this transcript constitutes a true  
12 transcription of my notes of said proceedings.

13 I FURTHER CERTIFY that I am not a relative,  
14 employee, attorney, or counsel of any of the parties,  
15 nor am I a relative or employee of any of the parties'  
16 attorney or counsel connected with the action, nor am I  
17 financially interested in the action.

18 DATED THIS 16th day of May, 2017.

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