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Public Service Commission

October 10, 2017

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STAFF'S FIRST DATA REQUEST
Via E-mail

Re: Docket No. 20170198-EI: Petition of Tampa Electric Company to Close to New Business all Existing Lighting Rates and Approve new LED Lighting Rates and Tariffs for a Street and Outdoor Lighting Conversion Program.

Dear Mr. Beasley:

By this letter, Commission staff requests the following information from Tampa Electric Company (TECO).

1. If the DSM program proposal in Docket No. 20170199-EI is not approved by the Commission, please discuss how that would impact TECO's petition in Docket No. 20170198-EI (e.g., proceed with the conversion or withdraw the petition).

2. Referring to the proposed Revised Stipulation and Settlement filed in Docket No. 20170210-EI, paragraph 12 (new tariffs), please provide a discussion how the statement "only <u>minimal</u>, if any, billing impacts will occur as the proposed new LED rates are being designed" (emphasis added) in the instant petition relates to paragraph 12 of the Revised Stipulation and Settlement.

3. Please provide a year-by-year description and breakdown of all estimated costs associated with the Street and Outdoor Lighting Conversion Program for each of the five years of the program.

4. TECO proposes to convert 209,821 non-LED fixtures to LED fixtures over a 5-year period. On page 2 of Exhibit C, TECO stated that approximately 5,000 fixtures will be converted to LED per month. At that conversion rate, please explain why it will take five years to complete all conversions and state how TECO arrived at the 209,821 number.

5. Please discuss why the petition proposes to close the existing LED tariffs to new customers (as opposed to leaving the existing LED tariffs open) and discuss the differences between the existing LED fixtures and associated rates and the LED fixtures and associated rates included in the proposed new tariffs.

6. Paragraph 3 of the petition states that the LED lighting costs have decreased substantially over the last five years. Please provide a cost comparison of similar lighting fixtures of High Pressure Sodium, Metal Halide, and LED for the last five years and/or any documentation to support this statement.

7. Paragraph 4 of the petition states that TECO currently owns and maintains approximately 242,000 leased lighting fixtures of which 223,000 are actively billed. Please explain what are not “actively billed” fixtures and what will happen to the 19,000 fixtures that are not “actively billed”.

8. Paragraph 10 discusses the next generation photocell (NLC) that will be part of the new LED fixtures. Please explain whether the NLC component of the new LED fixtures comes already embedded in the fixture from the manufacturer or is TECO installing the NLC network? If TECO is installing the NLC network, please state how TECO is recovering the costs associated with the NLC network.

9. When replacing the non-LED fixtures with the new LED fixtures, does the exact number need to be replaced (1 to 1) because the new LED fixtures are supposed to have better lumens output or can the number of replacement fixtures be reduced? In other words, can the distance between the lights be increased?

10. Please provide a diagram of a proposed typical LED fixture that includes opportunity for local, state, federal government and private entities to attach sensing equipment, video camera, GPS units, etc., that would be typically used by a municipality.

11. Paragraph 7 of the petition states that suppliers informed TECO that all MH products are cancelled by January 1, 2017 and HPS products could be unavailable by 2022. Who are the referenced suppliers? Would the same suppliers be providing the new LED lights to TECO?

12. When will TECO inform its customers about the proposed changes? Please provide examples of customer letter, website information, door hanger, etc. that are methods of communication per paragraph 15.

13. Paragraph 20 states TECO is using an average wattage variance of +/-10 percent as +/- 5 percent has proven to be too narrow. Please state the reasons why TECO believes the +/-5 percent variance is too narrow.

14. Please list the community partners referred to on page 1 of 5 of Exhibit C.

15. Please discuss and provide, if available, the "planned geographic sequence" stated in page 1 of 5 of Exhibit C.

16. Page 4 of 5 of Exhibit C states that the work in the field will require a mixture of internal and contracted labor resources. Will TECO perform the conversion, if approved, with existing labor resources or will TECO have to hire additional employees or contract with labor resources to perform the conversion program? If TECO will have to hire additional resources, please state how the incremental labor costs will be recovered.

For the questions below, please refer to paragraphs 11, 21-23, and 26-27 of the petition that relate to the company's requested capital recovery schedule for recovering its undepreciated investment of the early retirement of the non-LED fixtures associated with the Lighting Conversion Program.

17. Referring to Paragraph 11, page 7 of the petition, please provide a detailed summery of the requested capital recovery schedule including, but not limited to, the following information: the dollar amount to be recovered through the schedule, the plant assets associated with such dollar amount, and the recovery period of the schedule.

18. Please identify each depreciation account and subaccount that will be affected by the requested capital recovery schedule.

19. Please identify the expected date when the requested capital recovery schedule is to be implemented, and explain why such expected implementation date is reasonable and appropriate.

20. For each affected account/subaccount identified in Question 18, and all affected accounts combined, please provide detailed information, including the following:

    a. Estimated Plant in Service Balance as of the date identified in Question 18;

    b. Estimated Accumulated Provision for Depreciation of Electric Plant as of the date identified in Question 18;

    c. Estimated Cost of Removal as of the date identified in Question 18;

    d. Total Unrecovered Costs as of the date identified in Question 18.

21. Please explain how the estimated dollar amounts discussed in Question 20 were derived.

22. Please identify the cost recovery period TECO proposes, if any, for its requested capital recovery schedule; and explain why the length of such period is reasonable and appropriate.

23. Please provide more detailed information regarding the proposed new poles discussed in paragraph 26 of the petition.

    a. Why are the poles expected to provide reduced maintenance costs?

    b. Why are some of these new poles expected to provide improved maintenance in area prone to flooding?

    c. Describe the construction of the poles (materials, size, etc.).

    d. What will be the average service life of these new poles compared with the existing poles?

    e. When are these new poles expected to be placed in service?

    f. What is the expected investment amount, in dollars, associated with the new poles?

    g. What will be the estimated percentage of the amount discussed in Question 23. f. in terms of the estimated total plant investment amount booked in the following three accounts, respectively, for the years 2018, 2019 and 2020?

       Account 35500 – Poles & Fixture,
       Account 36400 – Poles, Towers & Fixtures, and
       Account 37300 – Street Lighting & Signal System.

24. Referring to paragraph 15 of the petition, when customers' HPS or MH fixtures are converted to LED fixtures, will the customers be informed of any price changes, and if so, how will the customers be notified?

25. Please provide an Excel version of Exhibit D with the formulas intact and unlocked.

26. The following questions refer to the proposed tariff sheets:

a. Referring to tariff sheet 6.800 (Exhibit A, page 1), please explain why the phrase "one or more of the" was added to Term of Service.

b. Referring to tariff sheets 6.809 and 6.810 (Exhibit A, pages 3-4), please explain how each of the new rates was calculated. Please provide an Excel version of the calculations with formulas intact and unlocked.

c. Referring to tariff sheet 6.820 (Exhibit A, page 5), section 5, please explain what a "primary term" is and how that differs from "current term."

d. Referring to tariff sheet 6.821 (Exhibit A, page 7), please explain the reasons for the addition of the second and third paragraphs to section 6.

e. Referring to tariff sheet 7.201 (Exhibit A, page 10), section 7, please explain why the language concerning removal and replacement of pavement was added.

f. Referring to tariff sheet 7.202 (Exhibit A, page 12), section 8, please explain why the language in the second sentence was added ("If applicable, a final invoice or partial refund shall be issued . . . ")

g. Referring to tariff sheet 7.202 (Exhibit A, page 12) section 9, please explain why "if applicable" was added and describe the circumstances under which a customer must provide a deposit.

h. Referring to tariff sheet 7.203 (Exhibit A, page 14), please explain why section 13, Vandalism, has been deleted.

i. Referring to tariff sheet 7.204 (Exhibit A, page 16), section 16, please explain why the proposed language was added to paragraph 16, physical attachments.

Please file all responses electronically no later than, Monday, October 23, 2017 via the Commission's website at www.floridapsc.com by selecting the Clerk's Office tab and Electronic Filing Web Form. Please feel free to call me at 850.413.6204 if you have any questions.

Sincerely
/s/Sevini Guffey

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cc: Office of Commission Clerk