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# Public Service Commission

December 8, 2017

Mr. James D. Beasley  
Ausley McMullen  
Post Office Box 391  
Tallahassee, Florida 32302  
[jbeasley@ausley.com](mailto:jbeasley@ausley.com)

## STAFF'S THIRD DATA REQUEST VIA EMAIL & US MAIL

**Re: Docket No. 20170199-EI: Petition for approval of conservation street and outdoor lighting conversion program, by Tampa Electric Company.**

Dear Mr. Beasley:

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

- 1) Please refer to TECO's response to Staff 's First Data Request, No. 3, showing a monthly depreciation of \$170,012.68 and the net book value of \$36,930,532 for the 209,821 billed fixture as of December 2017.
  - a) Is the \$170,012.68, or \$0.81 per fixture monthly cost recovered in current base rates?
  - b) Should the \$180.06 per fixture program cost TECO proposed to recover in the energy conservation cost recovery clause (ECCR) be adjusted to reflect the most updated net book value and the number of remaining HPS and MH fixtures to avoid over or under recovery? Please also describe the appropriate adjustments assuming a decision during the January Commission Conference.
- 2) Please refer to TECO's response to Staff's Second Data Request, No. 1, which states that the remaining book value associated with the existing HPS and MH fixtures is \$180.06 per fixture. Under normal depreciation accounting, would TECO expect this average net book value amount to change over time as such fixtures are replaced? Please explain.
- 3) Please refer to TECO's response to Staff's First Data Request, No. 5, regarding the analogy between the unamortized depreciation and cost-effective DSM incentives paid to customers under Rule 25-17.008, Florida Administrative Code.
  - a) Are the costs of a DSM program expected to stop when the avoided unit comes online?

- b) Because the cost-effectiveness analysis only included \$24,483,000 program cost to be cost effective until the avoided unit comes online, should ECCR recovery, if approved, be capped at \$24,483,000? If not, why not?
  - c) If TECO request the full unamortized amount ECCR recovery, please provide the updated amount and revised cost-effectiveness analysis (RIM, TRC, and Participants) based on the full amount that is requested for recovery for Utility Program Costs.
- 4) Please refer to TECO's response to Staff's Second Data Request, No. 11, in Docket No. 20170199 and the company's exhibit D to its petition in Docket No. 20170198. Please provide a revised response to No. 11 that shows the impact of the change in tariffs per type that reconciles the response and the exhibit. For example, a customer transferring from COBRA 50 WATT HPS to 27W Roadway would result in a higher bill, while a customer transferring from a SHOWBOX 400 WATT HPS to a 182W Roadway would result in a lower bill, which should be reflected in the Participant's Test for each type.
- 5) Please refer to TECO's response to Staff's Second Data Request, No.1, in Docket No. 20170199-EI, in which TECO states, "As the actual existing fixtures are replaced and retired, the remaining book value associated with the existing fixtures, which is \$180.06 per fixture, will be recovered through the Energy Conservation Cost Recovery Clause (ECCR). Following this methodology, the recovery of the total remaining book value of the existing lighting will coincide with the actual conversion of the luminaires."
- a) Within the annual ECCR dockets, is it TECO's intent to recover the costs of projection year retirements of MH and HPS luminaires during the projection year? For example, would TECO seek to recover costs of unamortized depreciation costs for luminaires projected to be replaced in 2019 in ECCR rates effective January 1, 2019, or would TECO request to recover 2018 and 2019 year-to-date actual costs as true-up adjustments in the ECCR beginning January 2020?
  - b) If TECO intends to accelerate recovery of unamortized depreciation costs for luminaires during the same year the luminaires are projected to be retired, please provide examples of the Commission approving accelerated recovery of unamortized depreciation costs for retirements prior to the time retirements are completed.
  - c) If TECO proposes to accelerate recovery of unamortized depreciation costs for luminaires during the same year the luminaires are projected to be retired, explain why the Company believes it would be appropriate to charge a rate for recovery of unamortized depreciation costs through the ECCR clause when such costs are simultaneously being recovered in base rates.

- 6) Please refer to TECO's response to Staff's Second Data Request, No. 1, in Docket No. 20170199-EI. Identify all instances of Commission-approved electric utility accelerated recovery of unamortized depreciation expense known to the Company based on the "as retired" method proposed by the Company in this docket, rather than a Capital Recovery Schedule, in either base rates or other cost recovery mechanisms, other than the approvals cited in the 1981 and 1982 Orders referenced in response to Staff's Second Data Request, No. 3, (ECCR recovery).
- 7) What is the removal cost, salvage, and net salvage value associated with HPS and MH fixtures? Please explain how these amounts were determined.
- 8) How has removal cost, salvage, and net salvage value associated with TECO's HPS and MH lighting fixtures eligible for conversion been accounted for in TECO's proposal to recover the unamortized depreciation expense via the ECCR under the proposed lighting conversion program?
- 9) What is the current age distribution of TECO's HPS and MH light fixtures eligible for conversion (percent of total luminaires by age of luminaire)?

Please file all responses electronically no later than, Wednesday, December 13, 2017, via the Commission's website at [www.floridapsc.com](http://www.floridapsc.com) by selecting the Clerk's Office tab and Electronic Filing Web Form. Please feel free to by call me by phone at 850-413-6626 if you have any questions.

Sincerely,



Phillip Ellis  
Public Utilities Supervisor  
Florida Public Service Commission  
Division of Engineering

PE:tj

cc: Office of Commission Clerk Office (Docket No. 20170199-EI)