

BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION

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In the Matter of:

DOCKET NO. 20170258-EQ

PETITION FOR APPROVAL OF A  
STANDARD INTERCONNECTION  
AGREEMENT FOR  
INTERCONNECTED  
CUSTOMER-OWNED BATTERY  
SUBSYSTEMS, BY TAMPA  
ELECTRIC COMPANY.

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PROCEEDINGS: COMMISSION CONFERENCE AGENDA  
ITEM NO. 11

COMMISSIONERS  
PARTICIPATING: CHAIRMAN ART GRAHAM  
COMMISSIONER JULIE I. BROWN  
COMMISSIONER DONALD J. POLMANN  
COMMISSIONER GARY F. CLARK

DATE: Tuesday, February 6, 2018

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

REPORTED BY: ANDREA KOMARIDIS  
Court Reporter and  
Notary Public in and for  
the State of Florida at Large

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

2 CHAIRMAN GRAHAM: Move on to Item No. 11.

3 MS. THOMPSON: Takira Thompson with Commission  
4 staff.

5 Item No. 11 is Tampa Electric Company's  
6 petition for approval of its interconnection  
7 agreements for customer-owned and rented battery  
8 subsystems. These agreements allow customers  
9 owning and renting battery subsystems to safely  
10 interconnect to and operate in parallel with the  
11 utility's electrical grid.

12 Staff has reviewed the utility's petition and  
13 recommends that it be approved. No comments were  
14 filed in this docket. Staff and the utility are  
15 available for any questions.

16 CHAIRMAN GRAHAM: Commissioner Brown.

17 COMMISSIONER BROWN: Thank you.

18 And this is the first that we've seen before  
19 this Commission of this type of interconnection  
20 agreement, correct?

21 MS. THOMPSON: Yes.

22 COMMISSIONER BROWN: Did this arise as a  
23 result of the hurricanes?

24 MS. THOMPSON: I am not sure, but that is our  
25 understanding. The utility is available to answer

1 any questions.

2 COMMISSIONER BROWN: So, it notes that  
3 there -- the utility anticipates only 73 customer-  
4 owned battery subsystems. I'm curious how TECO got  
5 to that number. If you could elaborate, that would  
6 be great.

7 MR. ASHBURN: Commissioner, Bill Ashburn with  
8 Tampa Electric Company.

9 So, these are battery systems that are being  
10 marketed to our customers. And they are --

11 COMMISSIONER BROWN: Are they being marketed  
12 through TECO or through a third party?

13 MR. ASHBURN: Through third parties. And they  
14 are asking for the ability to operate in parallel  
15 with our system. So, the interconnection agreement  
16 is to allow them to operate in parallel and  
17 identify when they need to disconnect from our  
18 system and when they can operate independently of  
19 our system. So, that's basically what the  
20 agreement is for.

21 COMMISSIONER BROWN: How are you being  
22 notified that these systems are in existence? In  
23 operation through net-metering arrangements?

24 MR. ASHBURN: So, some of the batteries are in  
25 association with the PV's array. So, there's a net

1 metering function there already for the PV. And  
2 they're anticipated that sometimes these will be  
3 sold with the new PV array. So, we'll get that  
4 information when it's a PV array interconnect or  
5 net metering.

6 But some are just stand-alone. People just  
7 want a battery in their house for -- for whatever  
8 reason. They serve several purposes. They will  
9 not run very long. You know, they're -- only put  
10 out about enough energy to run a house for about  
11 two, three hours really in Florida with air  
12 conditioning and everything. So, they're not going  
13 to help out much in a hurricane.

14 There is possibility, if a hurricane comes and  
15 takes out the electric grid and we're out for weeks  
16 or something like that, for the house, and they  
17 have a PV, the PV can recharge the battery during  
18 the day and they may be able to run a little bit  
19 longer over some period of time, but they only can  
20 run a house for a few hours.

21 COMMISSIONER BROWN: How does -- how will TECO  
22 be notified of users trying to implement this --  
23 these --

24 MR. ASHBURN: Right. We've been in contact  
25 with the installers of these batteries and

1 communicating with them. So, we're going to  
2 maintain relationships with them. It's the same  
3 thing as we did with PVs in the early years when  
4 they started the company.

5 We started identifying those who were going to  
6 put in PV and alert them that, when you put in a  
7 PV, you're going to have to get an interconnection  
8 agreement with us, as well as permitting with the  
9 county or the city or whatever. So, it -- it's  
10 kind of going to be working with them over time to  
11 build up that relationship.

12 COMMISSIONER BROWN: But then, under this  
13 interconnection, TECO has the final right of  
14 approval for the -- the overall battery. That's  
15 the way I read it.

16 MR. ASHBURN: Well, we have the right for it  
17 to be connected to us and operated in parallels.  
18 There's actually quite a few -- I won't say quite a  
19 few. Maybe a dozen or more of these batteries have  
20 been installed at customers' already. They're not  
21 interconnected, so they can't operate in parallel.  
22 If our power goes off, they can turn the battery  
23 on, but -- but we're not going to let them run in  
24 parallel until they have the agreement.

25 COMMISSIONER BROWN: And they're going to need

1 additional insurance protecting --

2 MR. ASHBURN: Right. Right, just like we do  
3 with the PV interconnect.

4 COMMISSIONER BROWN: Okay. How did you come  
5 up with the 73 number?

6 MR. ASHBURN: The 70 -- how many there are?

7 COMMISSIONER BROWN: No, you anticipate  
8 interconnecting 73 systems.

9 MR. ASHBURN: Oh, yes. Well, we're talking  
10 about -- at -- at this point, there's only the  
11 one vendor who's been talking to us about these  
12 batteries. It's -- it's Tesla. And it's the power  
13 wall. There's no secret there.

14 So, they have told us that they've installed  
15 maybe a dozen of them, and they have about --

16 COMMISSIONER BROWN: How much are those power  
17 walls?

18 MR. ASHBURN: Excuse me?

19 COMMISSIONER BROWN: How much are those power  
20 walls?

21 MR. ASHBURN: We're talking multiple thousands  
22 of dollars, like, you know -- I don't know, five or  
23 six or seven, something like that, to put one in.  
24 And you can gang them up. So, you can put two or  
25 three at your house, too.

1           And they said they have a backlog of about 50  
2           or so that they're -- 50 or 60. And then there's  
3           about a dozen that's been installed already. Now,  
4           they say that they're going to continue to --  
5           they've got a lot of people in line, ready to come,  
6           ready to sign up, but waiting for this  
7           interconnection. So, they're eager to have this  
8           approved so they can really start marketing --

9           COMMISSIONER BROWN: Thank you. And thank you  
10          for putting this forth. It makes sense for -- for  
11          the grid and for the ratepayers.

12          So, with -- if there are other questions?

13          CHAIRMAN GRAHAM: Commissioner Clark.

14          COMMISSIONER CLARK: Thank you, Mr. Chairman.

15          In the notice, it says that the utility  
16          company is reimbursing the consumers for the cost  
17          of the switch.

18          MR. ASHBURN: Yes.

19          COMMISSIONER CLARK: Could you share with us  
20          what that -- how much that cost is? And my  
21          curiosity is: Why is the utility paying for the  
22          switch.

23          MR. ASHBURN: So, one of the other important  
24          elements of this is safety. In fact, that's one of  
25          the big reasons we have these interconnection

1           agreements. And we have, over the last ten or more  
2           years, while we were interconnecting PV arrays,  
3           required that they put in a switch.

4           And the switch is a visible load-break switch  
5           on the side of the house where a lineman or someone  
6           else can see it and can turn off the equipment.  
7           And that was for safety of our -- our linemen,  
8           safety of the neighbors.

9           And you talked about hurricanes. So, we've  
10          been concerned and heard stories elsewhere about,  
11          you know, a fire department shows up at the house  
12          and suddenly the -- the thing is still running,  
13          either the battery is running or the PV is running  
14          and the house is lit. And they're afraid to throw  
15          water on the house. They don't want to do that.

16          So, for a safety measure, we've required  
17          people to put these switches on the side of the  
18          house, so that either us or fireman can throw  
19          them -- turn the power off and rescue people or  
20          turn out the fire or whatever the emergency is.

21          It's an expensive option to put a switch on  
22          the house for a customer. It's -- it can be --  
23          depending on where the PV array or where the  
24          battery is or how far away it is or how close it is  
25          to where the battery -- the -- where the meter is,



1           it can be 500, a thousand dollars. It could be  
2           more than that.

3           So, we have -- when we started out with PVs,  
4           we -- we knew that this was a barrier and wanted  
5           people to still put in the switch in. And so, we  
6           were reimbursing people for putting the switch in.  
7           And we've continued that practice for PVs to this  
8           day and found it to be very successful.

9           COMMISSIONER CLARK: So, would you also pay  
10          for a switch if someone were putting in, let's just  
11          say, diesel back-up generator to their house?

12          MR. ASHBURN: No, because they are not  
13          permitted to operate those in parallel with our  
14          system.

15          So, if you had a Honda in your garage, right,  
16          for the hur- -- the classic Honda in the garage  
17          when the hurricane comes -- they are not allowed or  
18          cannot run it in parallel with our system. So,  
19          when the power -- when -- when the power goes off  
20          from our grid, then they can start it up and run  
21          it.

22          And it's a place usually outside where we --  
23          someone can go see it and turn it off if they want  
24          to, right? I mean, you can hear it running and  
25          someone can go and turn it off. The PV is silent.

1           The battery is silent. No one knows that it's  
2           running except they see the lights on, and they  
3           don't know what's going on.

4           So, we -- the switch is -- is a very important  
5           safety measure.

6           COMMISSIONER CLARK: Thank you.

7           CHAIRMAN GRAHAM: Well, I -- it's interesting  
8           that Commissioner Clark brought that up. I  
9           understand, because there's very few of them right  
10          now, it's -- it's more of a safety issue more than  
11          anything else. But what happens when this starts  
12          to pick up a little bit? Because our policy is  
13          always trying to put the cost with the cost-  
14          causers.

15          MR. ASHBURN: Right.

16          CHAIRMAN GRAHAM: And now, everybody is  
17          picking up the cost of this switch.

18          MR. ASHBURN: Right. Well, that will be -- if  
19          it becomes that big a deal, we'll come back to you  
20          and see if there is something we should change.

21          It was -- when we -- when we determined to put  
22          the switches in back in the early 2000s, it was  
23          determined that that was a cost barrier to put PV  
24          on the roofs. And so, the Commission didn't like  
25          the idea of us having them having to pay another

1           500 to a thousand dollars to put the switch in.  
2           So, we've been doing it ever since, reimbursing  
3           customers for putting them in or putting them in  
4           ourselves, and so forth.

5           It's been successful. We still only have a  
6           couple of thousand, maybe, customers that have a  
7           PV. So, it hasn't been burdensome. But if it does  
8           become burdensome, we'll come back to you and maybe  
9           suggest a different approach.

10           CHAIRMAN GRAHAM: When this number hits 146,  
11           you'll be back?

12           MR. ASHBURN: I'm not sure that's the number,  
13           but you know, if it gets to 146,000, we certainly  
14           would be coming to you, talking about it.

15           CHAIRMAN GRAHAM: Okay. Commissioners,  
16           motion, please.

17           COMMISSIONER BROWN: Move staff recommendation  
18           on Item 3 -- 11.

19           CHAIRMAN GRAHAM: It's been moved and  
20           seconded, staff recommendation Item No. 11.

21           Any further discussion? Seeing none, all in  
22           favor, say aye.

23           (Chorus of ayes.)

24           CHAIRMAN GRAHAM: Any opposed?

25           By your action, you have approved staff

1 recommendation, item No. 11.

2 (Agenda item concluded.)

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STATE OF FLORIDA )  
COUNTY OF LEON )

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DATED THIS 15th day of February, 2018.



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ANDREA KOMARIDIS  
NOTARY PUBLIC  
COMMISSION #GG060963  
EXPIRES February 9, 2021