

STATE OF FLORIDA

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Public Service Commission

January 24, 2020

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COMMISSION
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Re: Docket No. 20200011-EI – In re: Petition of Tampa Electric Company for Approval of Waiver of CIAC Rule No. 25-6.064, F.A.C., for Certain New Electric Vehicle Recharging Stations,

Dear Sirs:

The Commission is in receipt of your petition for a rule waiver. Pursuant to section 120.542(7), Florida Statutes, the Commission is requesting the following additional information regarding your petition.

1. Section 120.542(5)(a), F.S., requires a petition to specify the rule from which a variance or waiver is requested. It appears from a review of your petition that you are seeking a variance, as defined in section 120.52(21), F.S., from paragraph 25-6.064(2)(c), F.A.C. Please verify that this is correct.
2. Section 120.542(5)(b), F.S., requires a petition to give the specific facts that would justify a waiver or variance for the petitioner. Please explain how application of paragraph 25-6.064(2)(c), F.A.C., would create a substantial hardship to TECO or would violate principles of fairness, as defined in section 120.542(2), F.S.
3. Section 120.542(5)(d), F.S., requires a petition to give the reason why the variance or the waiver requested would serve the purposes of the underlying statute. Please provide this explanation.
4. Are the line extension projects referenced in TECO's proposed tariff, Fourth Revised Sheet No. 5.505, capable of serving only EV fast chargers, or may the line extensions serve other general electrical needs of the customer? Please explain.

5. Please provide a diagram of the proposed typical line extension and/or upgrade project to serve EV fast chargers. In addition to line extension and related facilities, include service drop, meter, and charger in the diagram. Identify any existing equipment that may be removed and/or retired as a result of the line extension or upgrade.
6. Please provide a description of required equipment and materials for a typical line extension and/or upgrade project to serve TECO's EV fast charger customers, as well as any equipment or materials that may be retired and/or removed as a result of the project.
7. Explain whether the typical line extension project to serve a customer seeking to install EV fast chargers is likely to add additional electric customers after the first customer, and whether such customers are expected to be serving load other than EV fast chargers.
8. Explain whether TECO expects that the load to serve the typical line extension customer is expected to increase over time via the addition of EV fast chargers by that customer, and to what extent the line extension would have the capacity to accommodate such increases.
9. Provide the physical description and specifications of EV fast chargers associated with the anticipated projects.
10. Please refer to Paragraph 10 of TECO's Petition. Please explain how spurring the development for EVs might be a source of energy storage and load shaping?
11. Please provide TECO's anticipated base energy and demand revenues associated with new fast EV charging station line extensions under both the current rule and TECO's proposed tariff.
12. Please provide the average total estimated work order job cost of installing EV fast charging station line extensions. As part of your response, please provide the assumptions used to calculate the cost.
13. Please explain the type of customers TECO expects to own the EV fast charging stations, and who would have access to them.
14. Does TECO anticipate that EV fast charging stations will be compatible with all makes (i.e. Nissan, Toyota, Tesla, etc.) of electric vehicles?
15. What is the current demand (in both total number and total rated kW) for EV fast charging stations?
16. What is TECO's definition of an EV fast charging station?

17. At Paragraph 14 of the Petition, TECO states the following: “The selection of a further advanced period to calculate expected base revenues simply defers the period such a subsidy is in place for the period before the four years of base revenues actually occurs. At this point the subsidy ends and the purposes of the rule are implemented.” Does this mean that the subsidy period associated with the CIAC credit mechanism normally ends in Years 4 or 5 after installation under the rule, but for the applicable fast charger line extensions under the proposed CIAC credit mechanism via the temporary waiver, this subsidy period is extended to as late as Year 10? If staff’s understanding is not correct, please explain and provide a concrete example of the duration of the subsidy mechanism (point in time when the cross subsidy ends).
18. Rule 25-6.064(7), F.A.C., allows utilities to waive all or a portion of CIAC for customers, but requires the utility to determine a quantifiable benefit to the general body of ratepayers commensurate with the waived CIAC if the utility reduces net plant in service as though CIAC had been collected. Please explain why this portion of the rule is or is not an acceptable alternative method for achieving the purposes of TECO’s Petition.
19. Has TECO ever waived of a portion of CIAC for any customers per Rule 25-6.064(7), F.A.C.? If so, please identify one or more such waivers, and if applicable, identify waivers followed by reductions in net plant in service and waivers not followed by reductions in net plant in service.
20. Please explain how TECO’s proposed temporary rule waiver in this docket complies with Rule 25-6.064(8), F.A.C., including the requirement that tariffs shall have uniform application and be nondiscriminatory. Does the allowance of a different credit period for serving customers seeking to connect EV fast chargers in TECO’s proposed tariff introduce a nonuniform and/or discriminatory tariff? Please explain.
21. Please refer to TECO’s proposed tariff, Fourth Revised Sheet No. 5.505.
 - a. Does TECO intend the phrase “For most projects” to include all applicable projects other than line extensions for electric vehicle fast charging projects? Should this be clarified in proposed tariff changes?
 - b. Does TECO intend the proposed new statement to mean the investment allowance shall include four years of expected base energy charge and demand charge revenue collected over a consecutive four (4) year period within ten (10) years of the in-service date of the fast charger(s)? Should this be clarified in proposed tariff changes?
 - c. Please clarify whether “electric vehicle fast charger projects including associated line extensions” include or do not include electric vehicle fast chargers. Should this be clarified in proposed tariff changes?

22. Please refer to Paragraph 7 of the Petition. Explain what customer interactions, historical line extension sales data, or other information have led TECO to conclude that potential EV fast charger customers would opt to not pay the substantial line extension cost under the current CIAC rule.
23. Please provide any EV and EV fast charger market studies TECO (internal or external) relied upon to support its Petition in this docket, especially as relates to TECO's service territory.
24. What is the cost of removal and net salvage, if any, expected to take place as part of an EV fast charger project?
25. Please provide a detailed revenue requirement calculation for a line extension under the current rule. Also, provide a detailed revenue requirement for a typical line extension project under the proposed temporary rule waiver.
26. Identify the customer class(es) TECO expects will purchase the line extensions for EV fast chargers. Identify the profile of typical customer. Identify the applicable rates for energy and demand for such customers.
27. See Pages 5 and 6 of TECO's Petition. TECO states that cross subsidy may occur initially under the rule waiver, but the result will be beneficial to TECO's ratepayers now and in the future.
 - a. Explain the nature of the cross subsidy referenced here.
 - b. Explain how current customers may be benefitted now despite such cross-subsidy.
28. What is the estimated cross subsidy under the (a) current rule and (b) the proposed temporary rule waiver for a typical line extension. Show calculation of these amounts in an Excel file.
29. What is the estimated historic and projected annual EV and EV fast charging stations in TECO's service territory? Identify and describe the method for estimation, related assumptions. Identify the data source and date.
30. What are TECO's annual estimated number of historic and projected line extension projects under (a) the current rule and (b) the proposed temporary rule waiver to serve EV fast chargers? Identify the associated method for such projections. What are the related assumptions for such projections?

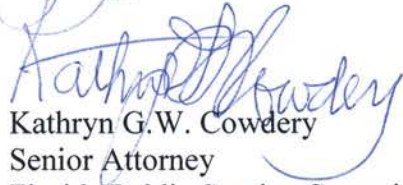
31. What is the annual impact on TECO's load, by rate class, of line extensions for EV fast chargers under (a) the temporary rule waiver and (b) under the current rule without the waiver?
32. Please see Paragraph 9 of the Petition.
 - a. Does TECO agree that projections of the quantity of adoptions of new technologies, such as EVs and EV fast charging stations, may be subject to high forecast error, and the accuracy of such projections typically becomes less accurate as the forecast horizon is extended? If not, please explain.
 - b. If so, why does TECO believe its projection of demand for EVs and EV fast charging stations, if used to support its projection of line extensions to serve EV fast charging stations, can be relied upon to avoid cross-subsidy?
33. Identify the number and location of EV fast chargers in TECO's service territory that are (a) owned by TECO and (b) owned by entities other than TECO.
34. Identify the locations in TECO's service territory where TECO expects will have the greatest number of EV fast chargers installed in the next 5 years, and what facts and assumptions underlie its answer.
35. Is the Company at this time planning to provide EV fast charger installations for its customers? If so, please provide any details that may be known, such as schedule, amounts, type, locations, anticipated cost recovery method, and timing of depreciation rate request filing.
36. Please refer to Paragraph 4 of the Petition. Please describe in detail any cost-benefit study or analysis that contributed to TECO's determination that the cost of the primary voltage power line represents a "barrier" to new customers?
37. Where in TECO's territory are electric vehicles currently getting their fast charging?

Please file your answers to the above questions in the above-referenced docket by February 6, 2020. Be aware that under section 120.542(8), F.S., staff will be unable to process your petition until the last item of additional information/material requested above is filed.

If you have any questions, feel free to contact me by phone or email.

Thank you for your assistance in this matter.

Sincerely,



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