



April 28, 2025

VIA: ELECTRONIC FILING

Mr. Adam Teitzman
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Tampa Electric Company's 2024 DSM Annual Report
Undocketed – 20250000-OT

Dear Mr. Teitzman:

Attached for filing in the above docket is Tampa Electric Company's responses to Staff's First Data Request (Nos. 1-20), propounded on April 2, 2025.

Thank you for your assistance in connection with this matter.

Sincerely,

A handwritten signature in blue ink that reads 'Malcolm N. Means'.

Malcolm N. Means

MNM/bml
Attachment

cc: TECO Regulatory Department
Ashley Sizemore, TECO
Michael Barrett, FPSC
discovery-gel@psc.state.fl.us

**TAMPA ELECTRIC COMPANY
2024 DSM ANNUAL REPORT
STAFF'S FIRST DATA REQUEST
REQUEST NO. 1
BATES PAGE(S): 1
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1. Please describe how Tampa Electric Company (TECO or Company) has changed the way it monitors current federal energy efficiency standards and Florida Building Code requirements, compared to the methods it used in 2023, if applicable.
 - A. To ensure that the Demand Side Management (“DSM”) programs the company offers are aligned with building codes and appliance efficiency standards, Tampa Electric’s Energy Management Services (“EMS”) Department works to stay ahead of changing appliance efficiency standards and building codes. The EMS team closely monitors the current administration for any new or proposed changes to building codes or appliance standards which would make it necessary to modify any of the company’s existing Commission approved DSM programs. In 2024, Tampa Electric continued to use the same methodology used in 2023, including utilizing memberships with CEE, ASHRAE, Florida Building Code, and Energy STAR to monitor changes in energy efficiency standards and codes.

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- 2.** What changes in federal or state standards have occurred in 2025, or are projected to occur before the end of 2025, will (or could) impact the cost effectiveness of TECO's conservation programs? Please explain.
 - A.** Tampa Electric included considerations for the Investment Recovery Act ("IRA") in its numerical goal setting process for the 2025-2034 Demand Side Management ("DSM") Plan. There is a continued focus on monitoring the status of the Inflation Reduction Act for any changes that may occur at the federal level. Additionally, Tampa Electric will closely monitor any federal policy changes related to the current administration's stated intention to roll back efficiency standards, and any potential impacts that might have on current DSM programs. At this time Tampa Electric does not propose any changes to its DSM programs included in the 2025-2034 DSM plan.

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3. In 2024, what was the Company's System Average Line Loss percentage.

A. For 2024, the company's average line loss percentage was as follows:

	Winter Demand	Summer Demand	Energy
Residential	6.4%	6.5%	5.5%
Commercial/Industrial	6.4%	6.5%	5.5%

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4. On pages 32-34 of the Report, TECO provides information on all three of its the Residential Audit programs. In 2024, all three programs reported lower enrollments, compared with results from 2023. Discuss any common reasons that could explain why enrollments across all three programs declined in 2024, compared with enrollment levels from 2023.
- A. The decline in the Residential Audit program participation in 2024 is attributed to following:
- The total customer bills were lower in 2024 than in 2023. Beginning January 2024, residential customers were paying approximately 11 percent less than they were in 2024. Additionally, rates were further reduced due Tampa Electric's Mid-course Correction which lowered fuel factors beginning in June 2024.
 - The weather was milder in 2024 compared to 2023. Milder weather in 2024 led to lower electric consumption among customers. For instance, the Cooling Degree Days ("CDD") for 2023 was 4,443 and the CDD for 2024 was 4,174.
 - Tampa Electric suspended audits for four weeks during its storm restoration for Hurricanes Debbie, Helene and Milton, contributing to lower participation in 2024.

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- 5.** On page 33 of the Report, TECO provides information on the Residential Customer Assisted Audits program. In 2023, TECO performed 100,189 audits in this program, and reported program costs of \$401,600 per TECO's 2023 DSM Program Accomplishment Report. In 2024, 52,794 audits were conducted, and program costs are reported as \$411,000. Please explain the reasons why reported program costs rose, despite significantly fewer customers enrolling in this program.
- A.** The primary expense in the Residential Customer Assisted Audit program is the annual subscription fee of \$405,960 paid to the vendor, with minimal labor costs incurred by the Program Manager for administrative tasks. Although the annual subscription fee has remained unchanged since the platform's inception in 2018, the vendor increased the fee by 2 percent upon contract renewal in 2024. As explained in the company's response to Data Request No. 4 above, participation in energy in the program likely saw a decline as a result of lower customer bills and milder weather.

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6. Please refer to page 36 of the Report, where TECO provides information on the Residential Duct Repair program.
- A. Column g shows the Actual Annual Number of Program Participants. For 2023, TECO had 315 participants, and in 2024, TECO had 557 participants. What does TECO believe are the reasons more customers enrolled in this program in 2024?
 - B. In 2024, the Net Benefits of Measures Installed During Reporting Period for this program were reported as \$228,000. In 2023, the Net Benefits were \$254,000.
 - 1. Please demonstrate the calculation of the \$228,000 Net Benefits value.
 - 2. Please explain why the Net Benefits value for this program decreased in 2024 while the number of program participants increased.
- A. A. In 2024, Tampa Electric's duct repair contractor marketed the program to three different manufactured home parks. This resulted in increased program participation in 2024.
- B. 1. Tampa Electric discovered an error in the net benefits calculation. The error came from using the 2023 Annual Cumulative Number of Participants, rather than the 2024. The following table contains the corrected value for all programs. A corrected version of the DSM Annual Report tables with formulas is provided in "(BS 8) DSM Annual 2024 Report with formulas.xls." The decrease in the net benefit is due to how it is calculated by dividing the Actual Participants by the Annual Projected Participants plan from the DSM plan multiplied by the Net Benefit to all Customers provided in the Rate Impact test filed with the DSM plan. The Annual Projected Participants value grows with each year of the plan, which accounts for the reduction in value from 2023 to 2024.

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Program Name	Reported Net Benefit (\$000)	Corrected Value (\$000)
RESIDENTIAL ALTERNATE AUDIT (aka Walk-Thru Audit or EA Free)	(1487.4)	(1579.7)
RESIDENTIAL CUSTOMER ASSISTED AUDITS	161.8	181.9
RESIDENTIAL RCS AUDIT (Computer Assisted - Paid)	(1.1)	(1.3)
RESIDENTIAL CEILING INSULATION	45.1	47.2
RESIDENTIAL DUCT REPAIR	22.8	24.2
ENERGY AND RENEWABLE EDUCATION, AWARENESS AND AGENCY OUTREACH	(255.8)	(286.3)
ENERGY STAR for NEW MULTI-FAMILY RESIDENCES	1.1	1.1
ENERGY STAR for NEW HOMES (formerly RESIDENTIAL NEW CONSTRUCTION)	1654.2	1721.5
ENERGY STAR POOL PUMPS	126.4	171.3
ENERGY STAR THERMOSTATS	40.3	50.6
RESIDENTIAL HEATING AND COOLING	33.1	34.9
NEIGHBORHOOD WEATHERIZATION	(9178.1)	(10261.8)
ENERGY PLANNER	2862.3	3055.0
RESIDENTIAL PRIME TIME PLUS (Residential Load Management)	12.3	27.0
RESIDENTIAL WINDOW REPLACEMENT	45.8	48.9
FREE COMMERCIAL/INDUSTRIAL AUDIT	(130.1)	(139.1)
COMPREHENSIVE COMMERCIAL/INDUSTRIAL AUDIT	(1.4)	(1.4)
COMMERCIAL CHILLERS	3.5	3.6
CONSERVATION VALUE	0.4	0.4
COMMERCIAL COOLING - DX	1.0	1.3
COMMERCIAL DEMAND RESPONSE	251.0	251.0
FACILITY ENERGY MANAGEMENT SYSTEM	34.8	139.2
INDUSTRIAL LOAD MANAGEMENT	1067.4	1067.4
COMMERCIAL STREET AND OUTDOOR LIGHTING CONVERSION	13420.0	0.0
COMMERCIAL LIGHTING - CONDITIONED SPACE	3572.1	3686.4
COMMERCIAL LIGHTING - UNCONDITIONED SPACE	2500.6	2603.0
COMMERCIAL OCCUPANCY SENSORS	21.0	100.3
COMMERCIAL LOAD MANAGEMENT- CYCLIC	0.0	0.0
COMMERCIAL LOAD MANAGEMENT- EXTENDED	0.0	0.0
COMMERCIAL SMART THERMOSTATS	64.2	65.6
STANDBY GENERATOR	5569.6	6041.6
VARIABLE FREQUENCY DRIVE CONTROL FOR COMPRESSORS	19.8	20.8
COMMERCIAL WATER HEATING	0.0	0.0

2. Please see Tampa Electric's response to Data Request No. 6.1, above. The corrected Net Benefit is \$24,200. The Net Benefits values reported above are incorrectly stated. The Net Benefits value for what was reported should be \$22,800 and the Net Benefits value for 2023 should be \$25,400.

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7. Please refer to page 37 of the Report, where TECO provides information on the Energy and Renewable Education, Awareness and Agency Outreach program.
- A. In 2023, TECO provided 2,401 kits to qualifying customers. In 2024, TECO reported providing 1,323 kits to qualifying customers. Why were fewer kits distributed to qualifying customers in 2024 compared with 2023?
 - B. In 2023, the program costs were reported as \$2,649,000, compared to \$3,987,000 for 2024. Please explain why the reported program cost increased significantly, while the annual number of kits provided decreased.
- A.
- A. The decrease in the number of kits distributed in 2024 compared to 2023 can be attributed to reduced activity in Energy and Renewable Education, Awareness, and Agency Outreach programs. This reduction was due to a compromised internal processing system that was unavailable in the fourth quarter of 2024 due to unforeseen circumstances related to a ransomware attack on the platform's host. Additionally, operations were suspended for approximately four weeks due to Hurricanes Debbie, Helene and Milton.
 - B. The program costs reported above are incorrectly stated. The 2023 program costs should be \$264,000 and the reported program costs for 2024 should be \$398,700. The numbers listed on the attachment to Tampa Electric's annual report are preliminary numbers used before the 2024 annual true up filing had been completed. During an internal review, 12 invoices for the purchase of bulk materials were found to be incorrectly charged to the Energy and Renewable Education, Awareness and Agency Outreach program instead of the Neighborhood Weatherization Program. After being reclassified, the program costs will be reported in the true-up filing in the amount of \$189,711, indicating that with less activity, the actual costs are lower than 2023 costs.

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- 8.** On page 39 of the Report, TECO provides information on the Energy Star for New Homes program. In 2023, 770 participants enrolled in this program. In 2024, 348 customers enrolled. Why did fewer customers enroll in this program in 2024 compared to 2023?
 - A.** Tampa Electric's rebate processing system was unavailable in the fourth quarter of 2024 due to unforeseen circumstances related to a ransomware attack on the platform's host. During that time no rebates were able to be created or processed for payment. These rebates were created and processed in the first quarter of 2025. Additionally, the Energy STAR raters also saw a slight slowdown in new home completions in 2024.

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- 9.** On page 41 of the Report, TECO provides information on the Energy Star Thermostats program. In 2023, there 1,505 customers enrolled in this program, compared to 1,001 in 2024. Please explain the reasons why fewer customers enrolled in this program in 2024, compared to 2023.

- A.** Please see Tampa Electric's response to Data Request No. 8, above. Additionally, there was milder weather in 2024 as compared to 2023.

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- 10.** On page 42 of the Report, TECO provides information on the Residential Heating and Cooling program. Over a 6 year period (2019 through 2024), program enrollments have declined each year. What are the reasons for this observed trend of declining enrollments in this program since 2019?
 - A.** As noted in Tampa Electric's response to Data Request No. 8, Tampa Electric's rebate system was unavailable during the fourth quarter of 2024 due to unforeseen circumstances. Tampa Electric customers experienced an increase in the average cost for new HVAC units. The cost increased from \$8,403 in 2019 to \$11,481 in 2024. Both the increases in costs as well as the pandemic supply chain issues have many customers opting to maintain rather than replace their HVAC systems.

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11. Please refer to page 43 of the Report, where TECO provides information on the Neighborhood Weatherization program.
- A. In 2023, TECO had 8,258 customers participate in this program. In 2024, TECO reported that 6,634 customers were enrolled. Why did fewer customers enroll in this program in 2024 compared to 2023? Address in your response if there were changes in marketing for this program implemented between 2023 and 2024.
 - B. Please show how the Net Benefits were calculated for this program. In your response, please provide an Excel spreadsheet with the formulas intact.
 - C. The Net Benefits calculation for this program in 2024 is reported as negative \$9,178,100. Please explain why the Net Benefits amount for this program is significantly negative.
- A. A. The decrease in customer enrollment in 2024 compared to 2023 can be attributed to several factors. As noted in Tampa Electric's response to Data Request No. 8, above, Tampa Electric's rebate system was unavailable during the fourth quarter of 2024 due to unforeseen circumstances. Additionally, operations were suspended for approximately four weeks due to Hurricanes Debbie, Helene, and Milton.
- B. Please see Tampa Electric's response to Data Request No. 6.1, above, for the requested information.
 - C. This program is designed mainly for low-income customers and the Commission has historically approved it for inclusion in DSM Plans even if it does not pass the RIM test or TRC test. Tampa Electric supports continuing this practice as it recognizes that these customers are being charged monthly to fund the Energy Conservation Cost Recovery Clause ("ECCR"), and as such should have opportunities to participate in the company's DSM programs. Tampa Electric uses Florida Census Tract Data to determine eligibility and, based on this data, the company currently estimates that 17.46 percent of the company's customers fall into this category of low-income/vulnerable status.

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As seen below, the Net Present Value of the Net Benefits to All Customers from the Rate Impact test, filed with the 2015-2024 DSM plan is significantly negative. This value is used to calculate the net benefits listed in the DSM annual report. A copy of the cost effectiveness calculation filed with the commission is attached.

INPUT DATA - PART 1
PROGRAM TITLE: Neighborhood Weatherization

PSC FORM CE 1.1
 PAGE 1 OF 1
 RUN DATE: January 15, 2020

PROGRAM DEMAND SAVINGS & LINE LOSSES

I. (1) CUSTOMER KW REDUCTION AT THE METER	0.643 KW /CUST
I. (2) GENERATOR KW REDUCTION PER CUSTOMER	0.621 KW GEN/CUST
I. (3) KW LINE LOSS PERCENTAGE	7.30 %
I. (4) GENERATION KWH REDUCTION PER CUSTOMER	2,047 KWH/CUST/YR
I. (5) KWH LINE LOSS PERCENTAGE	5.60 %
I. (6) GROUP LINE LOSS MULTIPLIER	1
I. (7) CUSTOMER KWH PROGRAM INCREASE AT METER	0 KWH/CUST/YR
I. (8)* CUSTOMER KWH REDUCTION AT METER	1,932 KWH/CUST/YR

ECONOMIC LIFE & K FACTORS

II. (1) STUDY PERIOD FOR CONSERVATION PROGRAM	15 YEARS
II. (2) GENERATOR ECONOMIC LIFE	25 YEARS
II. (3) T & D ECONOMIC LIFE	25 YEARS
II. (4) K FACTOR FOR GENERATION	1.5213
II. (5) K FACTOR FOR T & D	1.5213
II. (6)* SWITCH REV REQ(0) OR VAL-OF-DEF (1)	1

UTILITY & CUSTOMER COSTS

III. (1) UTILITY NONRECURRING COST PER CUSTOMER	814.00 \$/CUST
III. (2) UTILITY RECURRING COST PER CUSTOMER	0.00 \$/CUST/YR
III. (3) UTILITY COST ESCALATION RATE	2.40 %
III. (4) CUSTOMER EQUIPMENT COST	0.00 \$/CUST
III. (5) CUSTOMER EQUIPMENT ESCALATION RATE	2.30 %
III. (6) CUSTOMER O & M COST	0.00 \$/CUST/YR
III. (7) CUSTOMER O & M ESCALATION RATE	2.30 %
III. (8)* CUSTOMER TAX CREDIT PER INSTALLATION	0.00 \$/CUST
III. (9)* CUSTOMER TAX CREDIT ESCALATION RATE	0.00 %
III. (10)* INCREASED SUPPLY COSTS	0.00 \$/CUST/YR
III. (11)* SUPPLY COSTS ESCALATION RATE	0.00 %
III. (12)* UTILITY DISCOUNT RATE	0.0708
III. (13)* UTILITY AFUDC RATE	0.0646
III. (14)* UTILITY NON RECURRING REBATE/INCENTIVE	0.00 \$/CUST
III. (15)* UTILITY RECURRING REBATE/INCENTIVE	0.00 \$/CUST/YR
III. (16)* UTILITY REBATE/INCENTIVE ESCAL RATE	0.00 %

AVOIDED GENERATOR, TRANS. & DIST COSTS

IV. (1) BASE YEAR	2020
IV. (2) IN-SERVICE YEAR FOR AVOIDED GENERATING UNIT	2023
IV. (3) IN-SERVICE YEAR FOR AVOIDED T & D	2021
IV. (4) BASE YEAR AVOIDED GENERATING UNIT COST	526.30 \$/KW
IV. (5) BASE YEAR AVOIDED TRANSMISSION COST	34.90 \$/KW
IV. (6) BASE YEAR DISTRIBUTION COST	82.37 \$/KW
IV. (7) GEN, TRAN, & DIST COST ESCALATION RATE	2.40 %
IV. (8) GENERATOR FIXED O & M COST	5.83 \$/KW/YR
IV. (9) GENERATOR FIXED O&M ESCALATION RATE	2.40 %
IV. (10) TRANSMISSION FIXED O & M COST	2.78 \$/KW/YR
IV. (11) DISTRIBUTION FIXED O & M COST	11.34 \$/KW/YR
IV. (12) T&D FIXED O&M ESCALATION RATE	2.40 %
IV. (13) AVOIDED GEN UNIT VARIABLE O & M COSTS	0.210 CENTS/KWH
IV. (14) GENERATOR VARIABLE O&M COST ESCALATION RATE	2.40 %
IV. (15) GENERATOR CAPACITY FACTOR	9.10 %
IV. (16) AVOIDED GENERATING UNIT FUEL COST	3.75 CENTS/KWH
IV. (17) AVOIDED GEN UNIT FUEL ESCALATION RATE	4.54 %
IV. (18)* AVOIDED PURCHASE CAPACITY COST PER KW	0.00 \$/KW/YR
IV. (19)* CAPACITY COST ESCALATION RATE	0.00 %

NON-FUEL ENERGY AND DEMAND CHARGES

V. (1) NON-FUEL COST IN CUSTOMER BILL	5.936 CENTS/KWH
V. (2) NON-FUEL ESCALATION RATE	1.00 %
V. (3) CUSTOMER DEMAND CHARGE PER KW	0.000 \$/KW/MO
V. (4) DEMAND CHARGE ESCALATION RATE	1.00 %
V. (5)* DIVERSITY and ANNUAL DEMAND ADJUSTMENT FACTOR FOR CUSTOMER BILL	1.00

CALCULATED BENEFITS AND COSTS

(1)* TRC TEST - BENEFIT/COST RATIO	1.56
(2)* PARTICIPANT NET BENEFITS (NPV)	27,881
(3)* RIM TEST - BENEFIT/COST RATIO	0.68

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TOTAL RESOURCE COST TESTS
PROGRAM: Neighborhood Weatherization

PSC FORM CE 2.3
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(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
YEAR	INCREASED SUPPLY COSTS \$(000)	UTILITY PROGRAM COSTS \$(000)	PARTICIPANT PROGRAM COSTS \$(000)	OTHER COSTS \$(000)	TOTAL COSTS \$(000)	AVOIDED GEN UNIT BENEFITS \$(000)	AVOIDED T & D BENEFITS \$(000)	PROGRAM FUEL SAVINGS \$(000)	OTHER BENEFITS \$(000)	TOTAL BENEFITS \$(000)	NET BENEFITS \$(000)	CUMULATIVE DISCOUNTED NET BENEFITS \$(000)
2020	0	4,884	0	0	4,884	0	0	178	0	178	(4,706)	(4,706)
2021	0	5,001	0	0	5,001	0	302	530	0	832	(4,169)	(8,599)
2022	0	5,121	0	0	5,121	0	309	912	0	1,221	(3,900)	(12,001)
2023	0	0	0	0	0	866	317	1,139	0	2,322	2,322	(10,110)
2024	0	0	0	0	0	889	324	1,184	0	2,397	2,397	(8,286)
2025	0	0	0	0	0	914	332	1,271	0	2,518	2,518	(6,498)
2026	0	0	0	0	0	943	340	1,312	0	2,595	2,595	(4,777)
2027	0	0	0	0	0	968	348	1,394	0	2,710	2,710	(3,098)
2028	0	0	0	0	0	984	357	1,544	0	2,885	2,885	(1,429)
2029	0	0	0	0	0	1,011	365	1,655	0	3,030	3,030	209
2030	0	0	0	0	0	1,027	374	1,848	0	3,249	3,249	1,848
2031	0	0	0	0	0	1,062	383	1,841	0	3,286	3,286	3,396
2032	0	0	0	0	0	1,085	392	2,012	0	3,489	3,489	4,932
2033	0	0	0	0	0	1,123	402	2,146	0	3,671	3,671	6,440
2034	0	0	0	0	0	1,145	411	2,246	0	3,802	3,802	7,900
NOMINAL	0	15,006	0	0	15,006	12,017	4,958	21,210	0	38,185	23,179	
NPV:	0	14,021	0	0	14,021	6,769	3,003	12,149	0	21,920	7,900	
Discount Rate		0.0708	Benefit/Cost Ratio - [col (11)/col (6)]:				1.56					

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PARTICIPANT COSTS AND BENEFITS
PROGRAM: Neighborhood Weatherization

PSC FORM CE 2.4
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(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
YEAR	SAVINGS IN PARTICIPANTS BILL \$(000)	TAX CREDITS \$(000)	UTILITY REBATES \$(000)	OTHER BENEFITS \$(000)	TOTAL BENEFITS \$(000)	CUSTOMER EQUIPMENT COSTS \$(000)	CUSTOMER O & M COSTS \$(000)	OTHER COSTS \$(000)	TOTAL COSTS \$(000)	NET BENEFITS \$(000)	CUMULATIVE DISCOUNTED NET BENEFITS \$(000)
2020	485	0	0	0	485	0	0	0	0	485	485
2021	1,486	0	0	0	1,486	0	0	0	0	1,486	1,873
2022	2,522	0	0	0	2,522	0	0	0	0	2,522	4,072
2023	3,039	0	0	0	3,039	0	0	0	0	3,039	6,548
2024	3,112	0	0	0	3,112	0	0	0	0	3,112	8,915
2025	3,189	0	0	0	3,189	0	0	0	0	3,189	11,181
2026	3,257	0	0	0	3,257	0	0	0	0	3,257	13,341
2027	3,342	0	0	0	3,342	0	0	0	0	3,342	15,411
2028	3,471	0	0	0	3,471	0	0	0	0	3,471	17,419
2029	3,556	0	0	0	3,556	0	0	0	0	3,556	19,341
2030	3,695	0	0	0	3,695	0	0	0	0	3,695	21,205
2031	3,766	0	0	0	3,766	0	0	0	0	3,766	22,979
2032	3,894	0	0	0	3,894	0	0	0	0	3,894	24,693
2033	3,950	0	0	0	3,950	0	0	0	0	3,950	26,316
2034	4,079	0	0	0	4,079	0	0	0	0	4,079	27,881
NOMINAL	46,843	0	0	0	46,843	0	0	0	0	46,843	
NPV:	27,881	0	0	0	27,881	0	0	0	0	27,881	
In service year of gen unit:			2023		#DIV/0!						

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RATE IMPACT TEST
PROGRAM: Neighborhood Weatherization

PSC FORM CE 2.5
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(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
YEAR	INCREASED SUPPLY COSTS \$(000)	UTILITY PROGRAM COSTS \$(000)	INCENTIVES \$(000)	REVENUE LOSSES \$(000)	OTHER COSTS \$(000)	TOTAL COSTS \$(000)	AVOIDED GEN UNIT & FUEL BENEFITS \$(000)	AVOIDED T & D BENEFITS \$(000)	REVENUE GAINS \$(000)	OTHER BENEFITS \$(000)	TOTAL BENEFITS \$(000)	NET BENEFITS TO ALL CUSTOMERS \$(000)	CUMULATIVE DISCOUNTED NET BENEFIT \$(000)
2020	0	4,884	0	344	0	5,228	178	0	0	0	178	(5,050)	(5050)
2021	0	5,001	0	1,043	0	6,044	530	302	0	0	832	(5,212)	(9917)
2022	0	5,121	0	1,755	0	6,876	912	309	0	0	1,221	(5,655)	(14849)
2023	0	0	0	2,127	0	2,127	2,005	317	0	0	2,322	195	(14691)
2024	0	0	0	2,149	0	2,149	2,073	324	0	0	2,397	249	(14501)
2025	0	0	0	2,170	0	2,170	2,185	332	0	0	2,518	348	(14254)
2026	0	0	0	2,192	0	2,192	2,254	340	0	0	2,595	403	(13987)
2027	0	0	0	2,214	0	2,214	2,362	348	0	0	2,710	497	(13680)
2028	0	0	0	2,236	0	2,236	2,528	357	0	0	2,885	649	(13304)
2029	0	0	0	2,258	0	2,258	2,665	365	0	0	3,030	772	(12887)
2030	0	0	0	2,281	0	2,281	2,875	374	0	0	3,249	968	(12398)
2031	0	0	0	2,303	0	2,303	2,903	383	0	0	3,286	983	(11935)
2032	0	0	0	2,327	0	2,327	3,097	392	0	0	3,489	1,163	(11423)
2033	0	0	0	2,350	0	2,350	3,269	402	0	0	3,671	1,321	(10881)
2034	0	0	0	2,373	0	2,373	3,391	411	0	0	3,802	1,429	(10332)
NOMINAL	0	15,006	0	30,120	0	45,127	33,227	4,958	0	0	38,185	-6,941	
NPV:	0	14,021	0	18,232	0	32,253	18,917	3,003	0	0	21,920	-10,332	
Discount rate:			0.0708					Benefit/Cost Ratio - [col (12)/col (7)]:			0.68		

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- 12.** On page 45 of the Report, TECO provides information on the Residential Prime Time Plus program. In 2023, the Net Benefits of Measures Installed During Reporting Period were \$204,000. In 2024, the Net Benefits were \$123,000 per TECO's 2023 DSM Program Accomplishment Report. Please explain the decrease in Net Benefits of this program, considering there was increased participation and lower costs from 2023 to 2024.

- A.** Please see Tampa Electric's response to Data Request No. 6.1, above. The Residential Prime Time Plus Net benefits for 2024 were \$27,000. The Net Benefits values reported above are incorrectly stated. The Net Benefits value for 2023 should be \$20,400 and the reported Net Benefits value should be \$12,300.

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- 13.** On page 47 of the Report, TECO provides information on the Free Commercial/Industrial Audit program. In 2024, the utility reported lower enrollment in 2024 (459), compared with results from 2023 (976). Please explain why fewer customers enrolled in this program in 2024 compared to 2023. Address in your response if there were changes in marketing for this program implemented between 2023 and 2024.
- A.** The Commercial Energy Management team lost a seasoned coordinator responsible for outreach and marketing efforts in April 2024. This position remained unfilled until November 2024, and the new coordinator is currently undergoing training. Additionally, the team was down one auditor, who departed in October 2023, and wasn't replaced until late June 2024. The new auditor required time to complete essential training and testing before they could fully engage in the program. The impact of losing even a single team member is particularly pronounced in such a small team. Hurricanes Helene and Milton disrupted field operations and customer availability, which delayed scheduled audits and limiting outreach activities.

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14. Please refer to page 51 of the Report, where TECO provides information on its Commercial Cooling program.
- A. In 2023, 174 customers enrolled in this program, compared to 144 customers in 2024. Please identify the most significant factors that contributed to the decrease in participation for this program in 2024 compared with 2023.
 - B. In 2023, the total program costs were reported as \$34,400, compared to \$45,400 for 2024. Please explain why the reported program cost for 2024 increased despite lower enrollment for the period.
- A. A. In 2023, Tampa Electric received a high volume of rebate submittals from three major national accounts that were upgrading all HVAC units across their facilities. While some of these accounts continued making improvements in 2024, the scale of upgrades was smaller, resulting in fewer rebate applications. Many customers who participated in 2023 had already completed their planned equipment upgrades, reducing the need for additional installations in 2024. Tampa Electric also witnessed a slowdown in industry activity, with reduced construction and renovation activity decreased the demand for HVAC upgrades. Hurricanes Helene and Milton caused damage to commercial properties, redirecting contractor focus to emergency work and delaying participation, and a shortage of qualified HVAC contractors, partly due to increased demand for hurricane-related repairs, limited program outreach in 2024. Lastly economic constraints such as recovery costs and inflation led many businesses to deprioritize efficiency upgrades.
- B. This increase can be attributed to higher payroll costs, increased field verifications, and lack of an administrative resource noted in question Tampa Electric's response to Data Request No. 13 A, above. An additional field auditor was added to the team in 2024 leading to an increase in labor-related charges. Although fewer customers enrolled in the program, there was an increase in field verifications, which added additional costs. The field verifications were necessary for maintaining program integrity and ensuring compliance. Each verification involves more resources and time, raising the overall program expenses. Lastly, with the absence of an administrative resource during the period, the remaining staff may have had to take

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on additional responsibilities, resulting in increased labor costs to ensure program continuity.

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- 15.** Page 53 of the Report indicates that the Facility Energy Management System Program attracted 90 participants in 2024 compared to 26 participants in 2023. In Exhibit MAS-2, attached to the direct testimony of M. Ashley Sizemore, Schedule C-3, page 2 of 13, in Docket No. 20240002-EG, \$0 were allocated for advertising for this program in 2024. Please specify the reasons for enhanced enrollment in 2024, given the Company allocated \$0 in advertising.
- A.** Despite the absence of allocated advertising dollars in 2024, participation in the Facility Energy Management System (“EMS”) Program increased significantly from 26 participants in 2023 to 90 in 2024. This growth can be primarily attributed to two key factors:
- **Strategic Implementation by County Schools:** A substantial portion of the increase is due to several Hillsborough county schools implementing EMS systems across multiple facilities. These installations were driven by the schools’ internal energy efficiency goals and existing relationships with the utility’s account management and program teams, which helped facilitate participation without the need for formal advertising.
 - **Anticipation of Program Sunset:** The planned sunset of the Facility EMS Program in 2025 likely prompted many customers, particularly larger institutional participants, to accelerate their project timelines in order to take advantage of the incentive before the program’s conclusion. This sense of urgency served as a strong motivator for increased engagement in 2024.

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- 16.** On page 56 of the Report, TECO provides information on the Commercial Lighting - Conditioned Space program, indicating that program enrollments have declined each year from 2019 through 2024. Please explain the reasons for this observed trend of declining enrollments in this program since 2019.
- A.** Tampa Electric has observed that many commercial and industrial customers have already upgraded to energy-efficient lighting technologies, leading to a reduced pool of participants for the program. Advancements in building codes and energy efficiency standards have resulted in newer buildings being constructed with efficient lighting systems, diminishing the need for retrofitting and, consequently, reducing program enrollments.

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- 17.** On page 57 of the Report, TECO provides information on the Commercial Lighting – Unconditioned Space program. In 2023, the Net Benefits of Measures Installed During Reporting Period was reported as \$3,089,000 per TECO’s 2023 DSM Program Accomplishment Report. In 2024, the same measure is reported as \$2,500,600. Please explain the year-to-year change in Net Benefits, considering that participation increased in 2024 compared to 2023 (46 in 2024, compared to 38 in 2023), and reported program costs declined (\$225,200 in 2023, compared to \$196,700 in 2024).
- A.** Please see Tampa Electric’s response to Data Request No. 6.1, above. The corrected Net Benefit is \$2,603,000.

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- 18.** On page 58 of the Report, TECO provides information on the Commercial Occupancy Sensors program. In 2023, the Actual Annual Number of Program Participants was 6, however, in 2024, the Actual Annual Number of Program Participants was 170. Please explain the significant factors for the large increase in participants in 2024 compared to the number of participants in 2023.
- A.** The increase in program participants is due to multiple schools partnering with Tampa Electric to implement hardwired occupancy sensors in classrooms and offices. This increased program participation in 2024.

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- 19.** On page 62 of the Report, TECO provides information on the Standby Generator program. In 2023, program costs were reported as \$5,153,800, per TECO's 2023 DSM Program Accomplishment Report, with 17 reported participants. In 2024, TECO reports total program costs of \$5,569,600, with 5 reported participants. Please explain the reasons for the increase in program costs for 2024 for this program, despite a decline in 2024 enrollment compared to 2023 enrollment.
- A.** There were not any decreases to customer participation. There were 5 new participants reported for 2024. The total participation for this program, as of December 2024, was 130 participants. There were 5 participants that dropped off the program in 2024 and 5 new customers enrolled, keeping the customer base consistent and ensuring no overall decline in participation. The cost increase is in part due to the cost of the contract increasing by 5 percent in 2024, which contributed to the higher program costs. Additionally, several significant storms, including Hurricanes Helene and Milton, caused damage to the equipment used in the Standby Generator program. This resulted in additional service work to repair, restore and ensure the continued functionality of the equipment. Additional costs were incurred to maintain and upgrade equipment in 2024 to ensure operational reliability. This included removing outdated or malfunctioning equipment and installing new systems to ensure the program's continued functionality.

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- 20.** On page 63 of the Report, TECO provides information on the Variable Frequency Drive Control For Compressors program. Column g shows that 16 participants enrolled in this program in 2023, while in 2024, 2 participants enrolled. Please explain the reasons why fewer customers enrolled in this program in 2024, compared to 2023.
- A.** There are a number of reasons why enrollment has declined in 2024. One reason is that many eligible industrial customers have already installed the Variable Frequency Drive controls. Despite outreach efforts such as a Lunch and Learn event, new projects were scarce as most facilities had already optimized systems or lacked funding for upgrades. Though the remaining projects delivered strong individual savings, the pool of eligible participants was greatly reduced.