State of Florida



Hublic Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: June 4, 2009

TO: Office of Commission Clerk (Cole)

FROM: Office of Strategic Analysis and Governmental Affairs (Ellis)

Office of the General Counsel (Fleming)

RE: Docket No. 090228-EG – Petition for approval of a pilot small general service

price responsive load management program, by Tampa Electric Company.

AGENDA: 06/16/09 – Regular Agenda – Tariff Filing – Interested Persons May Participate

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Administrative

CRITICAL DATES: 06/21/09 (60-Day Suspension Date)

SPECIAL INSTRUCTIONS: None

FILE NAME AND LOCATION: S:\PSC\SGA\WP\090228.RCM.DOC

Case Background

On April 23, 2009, Tampa Electric Company (TECO) filed a petition requesting approval of a pilot Small General Service Price Responsive Load Management Program (pilot program). In the pilot program, commercial customers would be provided a smart thermostat, load control relay, and a network communication module. Customers would then be charged with rates varying by time of use. The pilot program is meant to collect and evaluate data on customer acceptance, as well as energy and demand savings of this variety of load management program for small commercial customers.

The pilot program is similar to TECO's Residential Price Responsive Load Management Program, approved by Order No. PSC-07-0740-TRF-EG, issued September 17, 2007, in Docket 070056, In re: Petition for approval of extension and permanent status of price responsive load

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<u>management program, by Tampa Electric Company</u>. The price period scheduling and rates would be identical, using a four-tier pricing structure.

The Commission has jurisdiction over this matter pursuant to Sections 366.06 and 366.80 through 366.82, Florida Statutes (F.S.).

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Discussion of Issues

<u>Issue 1</u>: Should the Commission suspend the proposed pilot Small General Service Price Responsive Load Management Program filed by Tampa Electric Company?

Recommendation: Yes, the tariff should be suspended. (Ellis)

<u>Staff Analysis</u>: On April 23, 2009, TECO filed for approval of a pilot Small General Service Price Responsive Load Management Program. This pilot program includes a new tariff schedule, GSVP-1. This tariff would go into effect in 60 days from filing without action by the Commission.

Pursuant to Section 366.06(3), F.S., the Commission may withhold consent to the operation of all or any portion of a new rate schedule, delivering to the utility making the request a reason or written statement of good cause for doing so within 60 days. Staff recommends that the tariff be suspended to allow staff sufficient time to review the petition in order to present the Commission an informed recommendation on the tariff proposal. Staff believes that this reason is good cause consistent with the requirements of Section 366.06(3), F.S.

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Issue 2: Should this docket be closed?

Recommendation: No. If the Commission approves Issue 1, this docket should remain open to allow staff adequate time to review the filings and bring a recommendation back to the Commission on the merits of the filings. (Fleming)

<u>Staff Analysis</u>: If the Commission approves Issue 1, this docket should remain open to allow staff adequate time to review the filings and bring a recommendation back to the Commission on the merits of the filings.