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OFFICE OF THE GENERAL COUNSEL
S. CURTIS KISER
GENERAL COUNSEL
(850) 413-6199

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Public Service Commission

June 18, 2012

James D. Beasley
J. Jeffry Wahlen
Ausley & McMullen
Post Office Box 301
Tallahassee, FL 32302

STAFF'S FIRST DATA REQUEST

Re: Docket No. 120073-EI - Petition for approval of revised tariffs for underground residential distribution and contribution-in-aid-of-construction, by Tampa Electric Company.

Dear Mr. Beasley and Mr. Wahlen:

By this letter, the Commission staff requests that Tampa Electric Company (TECO or utility) provide responses to the following data requests.

1. Referring to paragraphs 6 and 7 of the petition and the NPV life-cycle operational expenses section of the back-up information note book:

a. Please provide a detailed explanation why the company shifted the impact of the NPV life-cycle operational costs from the variable "per foot" charge to a fixed "per service" charge for new single-phase UG services from OH distribution sources. Include in your explanation the reasons/rationale for believing this method is correct and the method used in your 2009 filing was incorrect.

b. Do you believe the methodology used in your 2012 filing more accurately captures how these costs should be recovered from the cost-causer?

c. Please provide an electronic copy of the tables and spreadsheets used to develop the NPV life-cycle operational costs, with formulas in tact, so staff may track the calculations.

2. Referring to paragraph 9 of the petition and the UG Service Costs from OH Source-Non-Subdivision section of the back-up information note book:

a. The charges for OH service removal, when removal involves a service pole, have increased from \$387.85 to \$422.72. It appears that much of this increase is due to an increase in costs to "haul pole to job site." Please explain why this cost has increased and any other increases that impact this charge.

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James D. Beasley
J. Jeffry Wahlen
Page 2
June 14, 2012

3. Referring to page LD-1 of the back-up information note book, the UG Total with NPV Op, costs are shown as \$3100.78; however, on the summary sheet in Exhibit D of the petition the total is \$3084.95. Please state which number is correct and if any corrections need to be made to the filing.

4. Referring to page LD-3 of the back-up information note book, Energy Delivery "2012" Adder Study, what does the acronym PSA stand for?

5. Is the discount rate of 7.95% for the calculation of NPV a pre-tax or after-tax rate?

a. Was the 7.95% rate the approved discount rate in your last rate case? If not, why should the 7.95% rate be used instead of the approved rate?

b. Please show how the 7.95% discount rate was derived.

Please file the original and five copies of the requested information by Monday, July 2, 2012, with Ms. Ann Cole, Commission Clerk, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850. Please feel free to call me at (850) 413-6212 if you have any questions.

Sincerely,



Martha F. Barrera
Senior Attorney

MFB:th

cc: Office of Commission Clerk
Paula K. Brown