AUSLEY & MCMULLEN

ATTORNEYS AND COUNSELORS AT LAW

123 SOUTH CALHOUN STREET P.O. BOX 391 (ZIP 32302) TALLAHASSEE, FLORIDA 32301 (850) 224-9115 FAX (850) 222-7560

July 8, 2013

HAND DELIVERED

Ms. Ann Cole, Director Office of Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Petition for Rate Increase by Tampa Electric Company

FPSC Docket No. 130040-EI

Dear Ms. Cole:

Enclosed for filing on behalf of Tampa Electric Company are the original and twenty (20) copies of Revised page 19 of Tampa Electric witness Brad Register's Prepared Direct Testimony, marked "REVISED: 07/08/2013". In responding to certain discovery requests Tampa Electric detected a small error in the calculation of the amount of the target incentives excluded from the company's 2014 test year rate request. This error is corrected in the enclosed revised pages.

Under separate cover the company is submitting a revised Bates stamp page 5873 responsive to OPC's First Request for Production of Documents No. 3, making the same correction, subject to the same confidentiality request that accompanied the original Bates stamp page 5873.

Finally, Tampa Electric is posting to SharePoint this date Bates stamp page 4 of its response to FIPUG's Second Interrogatory No. 29, again making the same correction as reflected on Mr. Register's revised page 19.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning same to this writer.

Thank you for your assistance in connection with this matter. **AFD** APA CECO ENG GCL MOI

Sincerely,

James D. Beasley

Enclosure

TEL CLK

For officers and key employees, the PSP target payout included for cost recovery in the company's rate request varies by position and level but maintains total annual compensation at the market median for the exempt employee group and includes both operational and financial components. In Tampa Electric's 2008 rate proceeding Final Order No. PSC-09-0283-FOF-EI, issued on April 30, 2009 in Docket No. 080317-EI, operating expenses were reduced for the portion of incentive compensation tied directly to TECO Energy Inc.'s results. regulated companies make up the large majority of TECO Energy Inc.'s diversified interests, and incentives tied to the parent company are highly dependent the operating performance of Tampa Electric, the company acknowledges small fraction of incentive that а performance of compensation is tied to the nonregulated affiliate. such, consistent As methodology adopted by the Commission in the prior rate case, \$1,247,000 of Tampa Electric officer kev employee target incentives directly related to TECO results have been excluded Energy, Inc. from the company's 2014 test year rate request. This includes 100 percent of incentive compensation for officers and 20 percent for key employees. Any payout above target levels is not included in the company's rate request and

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