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September 16, 2013

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

Re: Fuel and Purchased Power Cost Recovery Clause with Generating
Performance Incentive Factor; FPSC Docket No. 130001-EI

Dear Ms. Cole:

Enclosed for filing in the above docket on behalf of Tampa Electric Company are the original and fifteen (15) copies of Supplemental Testimony and Revised Bates stamp pages 15, 17, 25, 28, 29, 30, 53, 56, and 58 of Exhibit No. (PAR-3) of Penelope A. Rusk.

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.

Sincerely,

J. Jeffrey Wahlen

JJW/pp
Enclosure

cc: All Parties of Record (w/enc.)

COM	5
APD	6
APA	
ECO	1
ENG	1
GCL	1
IDM	
TEL	
CLK	1 c/rep

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Supplemental Testimony and Revised Exhibit pages of Penelope A. Rusk, filed on behalf of Tampa Electric Company, has been served by hand delivery (*) or U. S. Mail this 16th day of September 2013, to the following:

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ATTORNEY





BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 130001-EI
FUEL & PURCHASED POWER COST RECOVERY
AND
CAPACITY COST RECOVERY

SUPPLEMENTAL TESTIMONY AND EXHIBIT
OF
PENELOPE A. RUSK

FILED: SEPTEMBER 16, 2013

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **PREPARED SUPPLEMENTAL TESTIMONY**

3 **OF**

4 **PENELOPE A. RUSK**

5
6 **Q.** Please state your name, address, occupation and employer.

7
8 **A.** My name is Penelope A. Rusk. My business address is 702
9 North Franklin Street, Tampa, Florida 33602. I am
10 employed by Tampa Electric Company ("Tampa Electric" or
11 "company") in the position of Administrator, Rates in
12 the Regulatory Affairs Department.

13
14 **Q.** Are you the same Penelope A. Rusk that submitted
15 prepared direct testimony in this proceeding?

16
17 **A.** Yes, I am.

18
19 **Q.** What is the purpose of your supplemental testimony?

20
21 **A.** The purpose of my supplemental testimony is to address
22 how the company's Capacity Cost Recovery clause
23 ("capacity clause") and Fuel and Purchased Power Cost
24 Recovery clause ("fuel clause") are affected as a result
25 of the Stipulation and Settlement Agreement

1 ("settlement") reached between Tampa Electric and
2 interveners and approved by the Commission in Docket No.
3 130040-EI on September 11, 2013.
4

5 **Q.** Have you prepared an exhibit to support your testimony?
6

7 **A.** Yes. Exhibit No. ____ (PAR-3), which consists of five
8 documents was prepared under my direction and
9 supervision. The revised pages submitted with my
10 testimony today include the schedules that were affected
11 by the settlement. Revised pages 1 and 3 of Document No.
12 1 are furnished as support for the projected capacity
13 cost recovery factors utilizing the Commission approved
14 allocation methodology based on 12 Coincident Peak ("CP")
15 and 1/13th Average Demand ("AD"). Revised pages of
16 Document No. 3, which is furnished as support for the
17 proposed levelized fuel and purchased power cost recovery
18 factors, consist of Schedules E1, E1-D, E1-E, E2 and E10
19 for January 2014 through December 2014. My revised
20 Document No. 4 provides a comparison of retail
21 residential fuel revenues under the inverted or tiered
22 fuel rate and a levelized fuel rate, which demonstrates
23 that the tiered rate is revenue neutral. Finally, my
24 revised Document No. 5 provides the projected monthly
25 Polk Unit 1 ignition oil conversion capital costs as well

1 as the related fuel savings.

2
3 **Q.** How did the settlement affect the capacity and fuel
4 clauses?

5
6 **A.** The settlement resulted in three modifications to the
7 calculations of the 2014 projected costs. The first
8 modification was the change to the approved 12 CP and
9 1/13th AD allocation methodology for demand-related costs.
10 The second modification occurred to include the
11 settlement return on equity and equity ratio in the
12 calculation of the Polk Unit 1 ignition oil conversion
13 project costs. Finally, the third modification was the
14 use of updated billing determinants through July 2013 to
15 determine the fuel clause Tier 1 and Tier 2 usage values
16 for residential customers.

17
18 **Capacity Cost Recovery**

19 **Q.** Please summarize the proposed capacity cost recovery
20 factors by metering voltage level for January 2014
21 through December 2014.

22
23 **A.**

Rate Class and	Capacity Cost	Recovery Factor
<u>Metering Voltage</u>	<u>Cents per kWh</u>	<u>\$ per kW</u>
RS Secondary	0.202	

1	GS and TS Secondary	0.186	
2	GSD, SBF Standard		
3	Secondary		0.63
4	Primary		0.62
5	Transmission		0.62
6	IS, IST, SBI		
7	Primary		0.39
8	Transmission		0.38
9	GSD Optional		
10	Secondary	0.150	
11	Primary	0.149	
12	LS1 Secondary	0.025	

13

14 These factors are shown in Exhibit No. ____ (PAR-3),

15 Document No. 1, revised page 3 of 4.

16

17 **Fuel and Purchased Power Cost Recovery Factor**

18 **Q.** Please summarize the proposed fuel and purchased power

19 cost recovery factors by metering voltage level for

20 January 2014 through December 2014.

21

22 **A.**

	Fuel Charge
<u>Metering Voltage Level</u>	<u>Factor (cents per kWh)</u>
24 Secondary	3.910
25 Tier I (Up to 1,000 kWh)	3.609

1	Tier II (Over 1,000 kWh)	4.609
2	Distribution Primary	3.871
3	Transmission	3.832
4	Lighting Service	3.872
5	Distribution Secondary	4.124 (on-peak)
6		3.820 (off-peak)
7	Distribution Primary	4.083 (on-peak)
8		3.782 (off-peak)
9	Transmission	4.042 (on-peak)
10		3.744 (off-peak)

11

12 **Q.** What is the amount of Polk Unit 1 ignition oil conversion
13 project costs to be recovered through the fuel clause?

14

15 **A.** Polk Unit 1 ignition oil conversion project costs of
16 \$4,250,042 for 2014 should be recovered through the fuel
17 clause. This amount is less than the \$6,148,946 estimated
18 fuel savings of the project for 2014, resulting in
19 \$1,898,904 in net benefits to customers. These amounts
20 are shown in revised Exhibit No. ____ (PAR-3), Document
21 No. 5.

22

23 **Q.** When should the new rates go into effect?

24

25 **A.** The new rates should go into effect concurrent with meter

1 reads for the first billing cycle for January 2014.

2

3 **Q.** Does this conclude your testimony?

4

5 **A.** Yes, it does.

6

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TAMPA ELECTRIC COMPANY
 CAPACITY COST RECOVERY CLAUSE
 CALCULATION OF ENERGY & DEMAND ALLOCATION BY RATE CLASS
 JANUARY 2014 THROUGH DECEMBER 2014
 PROJECTED
 REVISED 9/16/13

RATE CLASS	(1) AVG 12 CP LOAD FACTOR AT METER (%)	(2) PROJECTED SALES AT METER (MWH)	(3) PROJECTED AVG 12 CP AT METER (MW)	(4) DEMAND LOSS EXPANSION FACTOR	(5) ENERGY LOSS EXPANSION FACTOR	(6) PROJECTED SALES AT GENERATION (MWH)	(7) PROJECTED AVG 12 CP AT GENERATION (MW)	(8) PERCENTAGE OF SALES AT GENERATION (%)	(9) PERCENTAGE OF DEMAND AT GENERATION (%)	(10) 12 CP & 1/13 AVG DEMAND FACTOR (%)
RS,RSVP	54.87%	8,568,132	1,783	1.07880	1.05641	9,051,474	1,923	46.84%	55.51%	54.85%
GS, TS	59.77%	1,014,542	194	1.07880	1.05640	1,071,759	209	5.55%	6.03%	5.99%
GSD Optional	3.29%	332,164	50	1.07454	1.05252	349,609	54	1.81%	1.56%	1.58%
GSD, SBF	72.26%	7,305,930	1,104	1.07454	1.05252	7,689,640	1,186	39.80%	34.24%	34.67%
IS,SBI	121.20%	912,924	86	1.03010	1.01750	928,901	89	4.81%	2.57%	2.74%
LS1	793.34%	218,515	3	1.07880	1.05641	230,842	3	1.19%	0.09%	0.17%
TOTAL		18,352,207	3,220			19,322,225	3,464	100.00%	100.00%	100.00%

- (1) AVG 12 CP load factor based on 2013 projected calendar data.
- (2) Projected MWH sales for the period January 2014 thru December 2014.
- (3) Based on 12 months average CP at meter.
- (4) Based on 2013 projected demand losses.
- (5) Based on 2013 projected energy losses.
- (6) Col (2) * Col (5).
- (7) Col (3) * Col (4).
- (8) Based on 12 months average percentage of sales at generation.
- (9) Based on 12 months average percentage of demand at generation.
- (10) Col (8) * 0.0769 + Col (9) * 0.9231

TAMPA ELECTRIC COMPANY
CAPACITY COST RECOVERY CLAUSE
CALCULATION OF ENERGY & DEMAND ALLOCATION BY RATE CLASS
JANUARY 2014 THROUGH DECEMBER 2014
PROJECTED
REVISED 9/16/13

RATE CLASS	(1) PERCENTAGE OF SALES AT GENERATION (%)	(2) PERCENTAGE OF DEMAND AT GENERATION (%)	(3) ENERGY RELATED COSTS (\$)	(4) DEMAND RELATED COSTS (\$)	(5) TOTAL CAPACITY COSTS (\$)	(6) PROJECTED SALES AT METER (MWH)	(7) EFFECTIVE AT SECONDARY LEVEL (MWH)	(8) BILLING KW LOAD FACTOR (%)	(9) PROJECTED BILLED KW AT METER (kw)	(10) CAPACITY RECOVERY FACTOR (\$/kw)	(11) CAPACITY RECOVERY FACTOR (\$/kwh)
RS	46.84%	55.51%	1,134,466	16,138,682	17,273,148	8,568,132	8,568,132				0.00202
GS, TS	5.55%	6.03%	134,421	1,753,130	1,887,551	1,014,542	1,014,542				0.00186
GSD, SBF											
Secondary						6,051,001	6,051,001			0.63	
Primary						1,250,425	1,237,921			0.62	
Transmission						4,504	4,414			0.62	
GSD, SBF - Standard	39.80%	34.24%	963,957	9,954,755	10,918,712	7,305,930	7,293,336	57.91%	17,253,768		
GSD - Optional	1.81%	1.56%	43,838	453,546	497,384						
Secondary						321,510	321,510				0.00150
Primary						10,654	10,547				0.00149
IS, SBI											
Primary						228,187	225,905			0.39	
Transmission						684,737	671,042			0.38	
Total IS, SBI	4.81%	2.57%	116,498	747,188	863,686	912,924	896,947	56.10%	2,190,267		
LS1	1.19%	0.09%	28,822	26,166	54,988	218,515	218,515				0.00025
TOTAL	100.00%	100.00%	2,422,002	29,073,467	31,495,469	18,352,207	18,323,529				0.00172

- (1) Obtained from page 1.
(2) Obtained from page 1.
(3) Total capacity costs * 0.0769 * Col (1).
(4) Total capacity costs * 0.9231 * Col (2).
(5) Col (3) + Col (4).
(6) Projected kWh sales for the period January 2014 through December 2014.
(7) Projected kWh sales at secondary for the period January 2014 through December 2014.
(8) Col 7 / (Col 9 * 730)*1000
(9) Projected kw demand for the period January 2014 through December 2014.
(10) Total Col (5) / Total Col (9).
(11) {Col (5) / Total Col (7)} / 1000.

17

Docket No. 130001-EI
Exhibit No. _____ (PAR-3)
Document No. 1, Page 3 of 4
REVISED: 9/16/2013

TAMPA ELECTRIC COMPANY
 FUEL AND PURCHASED POWER
 COST RECOVERY CLAUSE CALCULATION
 ESTIMATED FOR THE PERIOD: JANUARY 2014 THROUGH DECEMBER 2014

SCHEDULE E1
 REVISED 9/16/13

	DOLLARS	MWH	CENTS/KWH
1. Fuel Cost of System Net Generation (E3)	697,757,539	18,522,902	3.76700
2. Nuclear Fuel Disposal Cost	0	0	0.00000
3. Coal Car Investment	0	0	0.00000
4a. Polk 1 Conversion Depreciation & ROI	4,250,042	18,522,902 ⁽¹⁾	0.02294
5. TOTAL COST OF GENERATED POWER (LINES 1 THROUGH 4a)	702,007,581	18,522,902	3.78994
6. Fuel Cost of Purchased Power - System (Exclusive of Economy)(E7)	7,983,730	182,710	4.36962
7. Energy Cost of Economy Purchases (E9)	20,352,480	495,850	4.10456
8. Demand and Non-Fuel Cost of Purchased Power	0	0	0.00000
9. Energy Payments to Qualifying Facilities (E8)	8,348,560	266,600	3.13149
10. TOTAL COST OF PURCHASED POWER (LINES 6 THROUGH 9)	36,684,770	945,160	3.88133
11. TOTAL AVAILABLE KWH (LINE 5 + LINE 10)		19,468,062	
12. Fuel Cost of Schedule D Sales - Jurisd. (E6)	327,980	10,320	3.17810
13. Fuel Cost of Market Based Sales - Jurisd. (E6)	5,053,522	150,010	3.36879
14. Gains on Sales	522,912	NA	NA
15. TOTAL FUEL COST AND GAINS OF POWER SALES	5,904,414	160,330	3.68266
16. Net Inadvertant Interchange		0	
17. Wheeling Received Less Wheeling Delivered		0	
18. Interchange and Wheeling Losses		2,739	
19. TOTAL FUEL AND NET POWER TRANSACTIONS (LINE 5+10-15+16+17-18)	732,787,937	19,304,993	3.79585
20. Net Unbilled	NA ^{(1)(a)}	NA ^(a)	NA
21. Company Use	1,261,741 ⁽¹⁾	33,240	0.00688
22. T & D Losses	34,904,580 ⁽¹⁾	919,546	0.19019
23. System MWH Sales	732,787,937	18,352,207	3.99291
24. Wholesale MWH Sales	0	0	0.00000
25. Jurisdictional MWH Sales	732,787,937	18,352,207	3.99291
26. Jurisdictional Loss Multiplier			1.00000
27. Jurisdictional MWH Sales Adjusted for Line Loss	732,787,937	18,352,207	3.99291
28. True-up ⁽²⁾	(15,630,547)	18,352,207	(0.08517)
29. Total Jurisdictional Fuel Cost (Excl. GPIF)	717,157,390	18,352,207	3.90774
30. Revenue Tax Factor			1.00072
31. Fuel Factor (Excl. GPIF) Adjusted for Taxes	717,673,743	18,352,207	3.91055
32. GPIF Adjusted for Taxes ⁽²⁾	(1,177,059)	18,352,207	(0.00641)
33. Fuel Factor Adjusted for Taxes Including GPIF	716,496,684	18,352,207	3.90414
34. Fuel Factor Rounded to Nearest .001 cents per KWH			3.904

^(a) Data not available at this time.

⁽¹⁾ Included For Informational Purposes Only

⁽²⁾ Calculation Based on Jurisdictional MWH Sales

DETERMINATION OF FUEL RECOVERY FACTOR
TIME OF USE RATE SCHEDULES
TAMPA ELECTRIC COMPANY
ESTIMATED FOR THE PERIOD: JANUARY 2014 THROUGH DECEMBER 2014

SCHEDULE E1-D
REVISED 9/16/13

			NET ENERGY FOR LOAD (%)	FUEL COST (%)
		ON PEAK	29.77	\$30.45
		OFF PEAK	70.23	\$28.20
			100.00	1.0798
		<u>TOTAL</u>	<u>ON PEAK</u>	<u>OFF PEAK</u>
1	Total Fuel & Net Power Trans (Jurisd)	(Sch E1 line 25)	\$732,787,937	
2	MWH Sales (Jurisd)	(Sch E1 line 25)	18,352,207	
2a	Effective MWH Sales (Jurisd)		18,323,529	
3	Cost Per KWH Sold	(line 1 / line 2)	3.9929	
4	Jurisdictional Loss Factor		1.00000	
5	Jurisdictional Fuel Factor		na	
6	True-Up	(Sch E1 line 28)	(\$15,630,547)	
7	TOTAL	(line 1 x line 4)+line 6	\$717,157,390	
8	Revenue Tax Factor		1.00072	
9	Recovery Factor	(line 7 x line 8) / line 2a / 10	3.9167	
10	GPIF Factor	(Sch E1-C line 3a)	-0.0064	
11	Recovery Factor Including GPIF	(line 9 + line 10)	3.9103	4.1244
12	Recovery Factor Rounded to the Nearest .001 cents/KWH		3.910	4.124
			4.124	3.8196
			4.124	3.820
13	Hours: ON PEAK		24.91%	
14	OFF PEAK		75.09%	
			100.00%	

Jurisdictional Sales (MWH)

Metering Voltage:	Meter	Secondary
Distribution Secondary	16,173,700	16,173,700
Distribution Primary	1,489,266	1,474,373
Transmission	689,241	675,456
<u>Total</u>	<u>18,352,207</u>	<u>18,323,529</u>

	Standard	On-Peak	Off-Peak
Distribution Secondary	3.910	4.124	3.820
Distribution Primary	3.871	4.083	3.782
Transmission	3.832	4.042	3.744
RS 1st Tier	3.609		
RS 2nd Tier	4.609		
Lighting	3.872		

SCHEDULE E1-E
 REVISED 9/16/13

TAMPA ELECTRIC COMPANY
 FUEL COST RECOVERY FACTORS
 ESTIMATED FOR THE PERIOD: JANUARY 2014 THROUGH DECEMBER 2014

METERING VOLTAGE LEVEL	LEVELIZED FUEL RECOVERY FACTOR cents/kWh	FIRST TIER (Up to 1000 kWh) cents/kWh	SECOND TIER (OVER 1000 kWh) cents/kWh
STANDARD			
Distribution Secondary (RS only)		3.609	4.609
Distribution Secondary	3.910		
Distribution Primary	3.871		
Transmission	3.832		
Lighting Service ⁽¹⁾	3.872		
TIME-OF-USE			
Distribution Secondary - On-Peak	4.124		
Distribution Secondary - Off-Peak	3.820		
Distribution Primary - On-Peak	4.083		
Distribution Primary - Off-Peak	3.782		
Transmission - On-Peak	4.042		
Transmission - Off-Peak	3.744		

(1) Lighting service is based on distribution secondary, 17% on-peak and 83% off-peak

TAMPA ELECTRIC COMPANY
 FUEL AND PURCHASED POWER COST RECOVERY CLAUSE CALCULATION
 ESTIMATED FOR THE PERIOD: JANUARY 2014 THROUGH DECEMBER 2014

SCHEDULE E2
 REVISED 9/16/13

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	(m)
	Jan-14	Feb-14	Mar-14	Apr-14	May-14	ESTIMATED Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	TOTAL PERIOD
1. Fuel Cost of System Net Generation	54,026,073	46,518,588	50,183,232	51,302,298	61,032,207	66,536,436	69,894,111	69,152,707	65,462,249	60,042,905	50,544,871	53,061,862	697,757,539
2. Nuclear Fuel Disposal	0	0	0	0	0	0	0	0	0	0	0	0	0
3. Fuel Cost of Power Sold ⁽¹⁾	652,887	554,727	677,617	677,247	397,987	429,767	371,467	389,687	390,397	419,717	376,377	566,537	5,904,414
4. Fuel Cost of Purchased Power	89,300	145,200	318,620	445,600	693,330	737,440	1,108,000	1,628,410	1,425,970	653,690	669,860	68,310	7,983,730
5. Demand and Non-Fuel Cost of Purchased Power	0	0	0	0	0	0	0	0	0	0	0	0	0
6. Payments to Qualifying Facilities	719,520	588,340	805,950	672,500	731,650	704,150	744,650	766,740	679,460	720,410	719,170	496,020	8,348,560
7. Energy Cost of Economy Purchases	1,118,480	1,107,530	1,496,400	1,405,270	1,843,860	1,865,250	2,517,540	1,967,230	2,439,700	1,942,060	1,308,440	1,340,720	20,352,480
8. Polk 1 Conversion Depreciation & ROI	365,289	363,268	361,246	359,224	357,201	355,181	353,160	351,138	349,116	347,094	345,073	343,052	4,250,042
9. TOTAL FUEL & NET POWER TRANSACTIONS	55,665,775	48,168,199	52,487,831	53,507,645	64,260,261	69,768,690	74,245,994	73,476,538	69,966,098	63,286,442	53,211,037	54,743,427	732,787,937
10. Jurisdictional MWh Sold	1,441,299	1,307,512	1,275,034	1,313,445	1,476,467	1,741,216	1,808,913	1,766,966	1,827,507	1,635,979	1,398,110	1,359,759	18,352,207
11. Jurisdictional % of Total Sales	1.0000000	1.0000000	1.0000000	1.0000000	1.0000000	1.0000000	1.0000000	1.0000000	1.0000000	1.0000000	1.0000000	1.0000000	1.0000000
12. Jurisdictional Total Fuel & Net Power Transactions (Line 9 * Line 11)	55,665,775	48,168,199	52,487,831	53,507,645	64,260,261	69,768,690	74,245,994	73,476,538	69,966,098	63,286,442	53,211,037	54,743,427	732,787,937
13. Jurisdictional Loss Multiplier	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000	1.00000
14. JURISD. TOTAL FUEL & NET PWR. TRANS. Adjusted for Line Losses (Line 12 * Line 13)	55,665,775	48,168,199	52,487,831	53,507,645	64,260,261	69,768,690	74,245,994	73,476,538	69,966,098	63,286,442	53,211,037	54,743,427	732,787,937
15. Cost Per kWh Sold (Cents/kWh)	3.8622	3.6840	4.1166	4.0738	4.3523	4.0069	4.1045	4.1583	3.8285	3.8684	3.8059	4.0260	3.9929
16. True-up (Cents/kWh) ⁽²⁾	(0.0852)	(0.0852)	(0.0852)	(0.0852)	(0.0852)	(0.0852)	(0.0852)	(0.0852)	(0.0852)	(0.0852)	(0.0852)	(0.0852)	(0.0852)
17. Total (Cents/kWh) (Line 15+16)	3.7770	3.5988	4.0314	3.9886	4.2671	3.9217	4.0193	4.0731	3.7433	3.7832	3.7207	3.9408	3.9077
18. Revenue Tax Factor	1.00072	1.00072	1.00072	1.00072	1.00072	1.00072	1.00072	1.00072	1.00072	1.00072	1.00072	1.00072	1.00072
19. Recovery Factor Adjusted for Taxes (Cents/kWh) (Excluding GPIF)	3.7797	3.6014	4.0343	3.9915	4.2702	3.9245	4.0222	4.0760	3.7460	3.7859	3.7234	3.9436	3.9105
20. GPIF Adjusted for Taxes (Cents/kWh) ⁽²⁾	(0.0064)	(0.0064)	(0.0064)	(0.0064)	(0.0064)	(0.0064)	(0.0064)	(0.0064)	(0.0064)	(0.0064)	(0.0064)	(0.0064)	(0.0064)
21. TOTAL RECOVERY FACTOR (LINE 19+20)	3.7733	3.5950	4.0279	3.9851	4.2638	3.9181	4.0158	4.0696	3.7396	3.7795	3.7170	3.9372	3.9041
22. RECOVERY FACTOR ROUNDED TO NEAREST 0.001 CENTS/KWH	3.773	3.595	4.028	3.985	4.264	3.918	4.016	4.070	3.740	3.780	3.717	3.937	3.904

⁽¹⁾ Includes Gains
⁽²⁾ Based on Jurisdictional Sales Only

TAMPA ELECTRIC COMPANY
RESIDENTIAL BILL COMPARISON
FOR MONTHLY USAGE OF 1,000 KWH

	Current Jan 13 - Oct 13	Approved Nov 13 - Dec 13	Difference		Projected Jan 14 - Dec 14	Difference	
			\$	%		\$	%
Base Rate Revenue *	55.45	60.98	5.53	10.0%	60.98	0.00	0.0%
Fuel Recovery Revenue	33.69	33.69	0.00	0.0%	36.09	2.40	7.1%
Conservation Revenue	2.98	2.98	0.00	0.0%	2.95	(0.03)	-1.0%
Capacity Revenue	2.32	2.32	0.00	0.0%	2.02	(0.30)	-12.9%
Environmental Revenue	5.58	5.58	0.00	0.0%	4.83	(0.75)	-13.4%
Florida Gross Receipts Tax Revenue	2.56	2.71	0.15	5.9%	2.74	0.03	1.1%
TOTAL REVENUE	\$102.58	\$108.26	\$5.68	5.5%	\$109.61	\$1.35	1.2%

* Reflects base rate settlement approved on 9/11/13 in Docket No. 130040-EI. Base rates effective November 1, 2013.

Tampa Electric Company
Comparison of Levelized and Tiered Fuel Revenues
For the Period January 2014 through December 2014
REVISED 9/16/13

	Annual Units MWH	Levelized Fuel Rate Cents/kWh	Annual Fuel Revenues \$	Tiered Fuel Rates Cents/kWh	Annual Fuel Revenues \$
Residential Excluding TOU:					
TIER I (Up to 1,000) kWh	5,962,033	3.910	233,115,495	3.609	215,169,775
TIER II (Over 1,000) kWh	2,567,342	3.910	100,383,067	4.609	118,328,787
Total	<u>8,529,375</u>		<u>333,498,562</u>		<u>333,498,562</u>

**POLK 1 CONVERSION
SCHEDULE OF DEPRECIATION AND RETURN
FOR THE PERIOD JANUARY 2014 THROUGH DECEMBER 2014
REVISED 9/16/13**

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1 BEGINNING BALANCE	\$ 15,428,062	\$ 15,428,062	\$ 15,428,062	\$ 15,428,062	\$ 15,428,062	\$ 15,428,062	\$ 15,428,062	\$ 15,428,062	\$ 15,428,062	\$ 15,428,062	\$ 15,428,062	\$ 15,428,062	\$ 15,428,062
2 ADD INVESTMENT	-	-	-	-	-	-	-	-	-	-	-	-	-
3 LESS RETIREMENTS	-	-	-	-	-	-	-	-	-	-	-	-	-
4 ENDING BALANCE	15,428,062	15,428,062	15,428,062	15,428,062	15,428,062	15,428,062	15,428,062	15,428,062	15,428,062	15,428,062	15,428,062	15,428,062	15,428,062
5													
6													
7 AVERAGE BALANCE	15,428,062	15,428,062	15,428,062	15,428,062	15,428,062	15,428,062	15,428,062	15,428,062	15,428,062	15,428,062	15,428,062	15,428,062	15,428,062
8 DEPRECIATION RATE	1.666667%	1.666667%	1.666667%	1.666667%	1.666667%	1.666667%	1.666667%	1.666667%	1.666667%	1.666667%	1.666667%	1.666667%	1.666667%
9 DEPRECIATION EXPENSE	257,134	257,134	257,134	257,134	257,134	257,134	257,134	257,134	257,134	257,134	257,134	257,134	3,085,612
10 LESS RETIREMENTS	-	-	-	-	-	-	-	-	-	-	-	-	-
11 BEGINNING BALANCE DEPRECIATION	1,542,806	1,799,941	2,057,075	2,314,209	2,571,344	2,828,478	3,085,612	3,342,747	3,599,881	3,857,015	4,114,150	4,371,284	1,542,806
12 ENDING BALANCE DEPRECIATION	1,799,941	2,057,075	2,314,209	2,571,344	2,828,478	3,085,612	3,342,747	3,599,881	3,857,015	4,114,150	4,371,284	4,628,418	4,628,418
13													
14													
15 ENDING NET INVESTMENT	13,628,121	13,370,987	13,113,852	12,856,718	12,599,584	12,342,449	12,085,315	11,828,181	11,571,046	11,313,912	11,056,778	10,799,643	10,799,643
16													
17													
18 AVERAGE INVESTMENT	\$ 13,756,688	\$ 13,499,554	\$ 13,242,420	\$ 12,985,285	\$ 12,728,151	\$ 12,471,017	\$ 12,213,882	\$ 11,956,748	\$ 11,699,613	\$ 11,442,479	\$ 11,185,345	\$ 10,928,210	
19 ALLOWED EQUITY RETURN	368839%	368839%	368839%	368839%	368839%	368839%	368839%	368839%	368839%	368839%	368839%	368839%	
20 EQUITY COMPONENT													
21 AFTER-TAX	50,740	49,792	48,843	47,895	46,946	45,998	45,050	44,101	43,153	42,204	41,256	40,308	546,286
22 CONVERSION TO PRE-TAX	1,63220	1,63220	1,63220	1,63220	1,63220	1,63220	1,63220	1,63220	1,63220	1,63220	1,63220	1,63220	
23 EQUITY COMPONENT PRE-TAX	82,818	81,271	79,722	78,174	76,625	75,078	73,531	71,982	70,434	68,885	67,338	65,791	891,649
24 ALLOWED DEBT RETURN	184178%	184178%	184178%	184178%	184178%	184178%	184178%	184178%	184178%	184178%	184178%	184178%	
25 DEBT COMPONENT	\$ 25,337	\$ 24,863	\$ 24,390	\$ 23,916	\$ 23,442	\$ 22,969	\$ 22,495	\$ 22,022	\$ 21,548	\$ 21,075	\$ 20,601	\$ 20,127	272,785
26													
27 TOTAL RETURN REQUIREMENTS	\$ 108,155	\$ 106,134	\$ 104,112	\$ 102,090	\$ 100,067	\$ 98,047	96,026	94,004	91,982	89,960	87,939	85,918	1,164,434
28													
29 TOTAL DEPRECIATION & RETURN	\$ 365,289	\$ 363,268	\$ 361,246	\$ 359,224	\$ 357,201	\$ 355,181	353,160	351,138	349,116	347,094	345,073	343,052	4,250,042
30													
31 ESTIMATED FUEL SAVINGS	\$467,544	\$429,570	\$610,456	\$749,244	\$688,170	\$736,400	\$488,114	\$0	\$0	\$679,695	\$1,299,753	\$0	\$6,148,946
32 TOTAL DEPRECIATION & RETURN	\$365,289	\$363,268	\$361,246	\$359,224	\$357,201	\$355,181	\$353,160	\$351,138	\$349,116	\$347,094	\$345,073	\$343,052	4,250,042
33 NET BENEFIT (COST) TO RATEPAYER	\$102,255	\$66,302	\$249,210	\$390,020	\$330,969	\$381,219	\$134,954	(\$351,138)	(\$349,116)	\$332,601	\$954,680	(\$343,052)	\$1,898,904

34 DEPRECIATION EXPENSE IS CALCULATED BASED UPON A FIVE YEAR PERIOD
35 RETURN ON AVERAGE INVESTMENT IS CALCULATED USING AN ANNUAL RATE OF 9.4343% (EQUITY 7.2242% , DEBT 2.2101%)
36 THE RATES ARE FROM THE APPROVED 9/11/2013 BASE RATE SETTLEMENT
37
38 ZERO PROJECTED GENERATION RESULTS IN ZERO ESTIMATED FUEL SAVINGS FOR THAT MONTH

58

Docket No. 130001-EI
Exhibit No. _____ (PAR-3)
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REVISED: 9/16/2013