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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

January 31, 2022

VIA: ELECTRONIC FILING

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

> Re: Consideration of the tax impacts associated with Tax Cuts and Jobs Act of 2017 Tampa Electric Company; Docket No. 20180045-EI

Dear Mr. Teitzman:

Consistent with Tampa Electric Company's ("Tampa Electric" or the "company") petition filed on November 29, 2021 ("Petition"), enclosed for filing in this docket as Exhibits One and Two are the calculations supporting the company's proposed \$6,198,225 credit to the Energy Conservation Cost Recovery Clause to reflect (1) the 2021 calendar year impact of the State of Florida's corporate income tax rate decrease from 4.458 percent in 2019 and 2020 to 3.535 percent in 2021 and (2) the true up of excess accumulated deferred state income taxes ("EADSIT") as of December 31, 2018. Should the Commission decide to do so, Tampa Electric does not object to this letter and the Petition being placed in Docket No. 20190203-EI or a new docket or both.

The company offers the following explanation to assist the Commission and its Staff with their review of these materials:

1. In September 2019, the State of Florida announced that it was temporarily reducing its corporate income tax rate from 5.5 percent to 4.458 percent for calendar years 2019, 2020, and 2021. Tampa Electric filed a petition in Docket No. 20190203-EI on November 13, 2019, proposing a base rate decrease of \$4,959,442 effective January 1, 2020, to reflect the lower tax rate.¹ The proposed rate decrease was calculated as the 2019 net annual state income tax expense reduction of \$3,743,288 plus amortization of estimated EADSIT of \$4,265,315 over five years (\$853,063 per year), with the applicable revenue expansion or gross up factors. The company's 2019 petition acknowledged that its calculation of the EADSIT as of December 31, 2018, was

¹ The company also proposed to credit the ECCR in the same annual amount on a one-time basis to flow the value of the tax rate decrease for 2019 to its customers.

based on estimates and would be trued up after the company filed its 2018 state corporate income tax return.

2. The Commission issued Order No. PSC-2019-0524-PAA-EI on December 17, 2019, approving the company's proposal and acknowledging the company's plans to true up the EADSIT amount used to calculate the base rate reduction and credit to the ECCR.

3. On September 14, 2021, the State of Florida temporarily lowered its corporate income tax rate further from 4.458 percent to 3.535 percent for calendar year 2021 only. The company filed a petition to address this temporary rate change on November 29, 2021. Therein, the company indicated that the net annual income tax expense reduction associated with the lower 2021 state income tax rate was approximately \$2,725,826 before applying the tax rate gross up factors and approximately \$3, 576,854 after. The company also indicated that it was completing the true up of the estimated EADSIT amount of December 31, 2018, described above.

4. The company has now completed its true up work and the results are shown on Exhibit One. Based on the actual timing differences reversing in 2019, 2020 and 2021, which are shown on Exhibit One, and the lower 3.535 percent tax rate for 2021, the amount of EADSIT as of December 31, 2018, was \$4,556,867, not \$4,265,315, for a total difference of \$291,552. As a result, the annual amortization of the EADSIT for 2019 to 2023 should be \$911,373 - not \$853,063 as originally estimated - for an annual difference of \$58,310. The summary in the upper right-hand corner of Exhibit One shows the annual amortization difference by year and that, as of the end of December 31, 2021, the cumulative amount amortized for the first three years of the five-year amortization period should have been \$174,931 greater. That portion of Exhibit One also shows that the total of the \$174,931 and the revised annual amortization amounts for 2022 and 2023 equals \$1,997,687 before applying the tax rate gross up factor and approximately \$2.6 million after.

5. The company's calculation of the credit to the ECCR to be included in its 2021 true-up filing to be made in the spring of 2022 is set forth on Exhibit Two. It shows the impact of the lower 2021 tax rate for 2021 on a Net Operating Income neutral basis as required by the 2017 Agreement, and a proposed amount for the EADSIT true up, both grossed-up for taxes, and totals \$6,198,225. Notably, rather than including only the \$174,931 in the 2021 true up amount, the company proposes to accelerate crediting the 2022 and 2023 annual amortization amounts by including them in its proposed credit for the 2021 ECCR true-up. Given the dollar amounts involved, the company believes that this approach is more favorable to customers and more administratively efficient than including a credit of \$911,373 in the 2022 and 2023 ECCR true-up filings. The company believes that this approach is not prohibited by the 2017 Agreement, will not impact NOI during the 2021 Agreement settlement period (2022 to 2024), will allow the Commission and the parties to complete the 2019 through 2021 temporary state tax rate decreases, and is in the public interest.

6. The company presented the calculations reflected on Exhibits One and Two and its proposal for resolving the 2019 through 2021 state tax rate decreases to the parties to the 2017 Agreement (OPC, FIPUG, FEA, FRF, and WCFHUA) and Walmart on January 28 and 31, 2021. The Office of Public Counsel has advised Tampa Electric that it does not object to the calculation

or proposal. The other Consumer Parties are considering the information presented to them and will advise the undersigned counsel for Tampa Electric of their position on the matters in this letter as soon as practicable, which positions will be promptly shared with the Staff. Tampa Electric would be pleased to meet informally with the Staff and Consumer Parties to discuss the contents of this letter and the Petition at a mutually convenient time.

Sincerely,

Jeffry Wahlen

JJW/ne Attachment

cc: Richard Gentry (w/attachment) Charles Rehwinkel (w/attachment) Jon Moyle (w/attachment) Schef Wright (w/attachment) Stephanie Eaton (w/attachment) Holly Buchanan (w/attachment) Mark Sundback (w/attachment)

TAMPA ELECTRIC COMPANY

ESTIMATED EXCESS ADIT AS OF DECEMBER 31, 2018 THAT REVERSED DURING 2019-2021

M-tem 20190203-EI Excess DT Zeces DT Variance DEPERCIATION ENDORTAD IEF STATE 23,4024,652 (1,611,826) 138,148,469 (1,3257,458) (1,270,102) DEF SEC JASI NETHEST CAP 32,273,142 (1,611,826) 185,118,469 (1,525,58,58) (607,709) (343,357,500) SEC 236A INTERST CAP 32,4273,142 (255,715) 61,555,58,26 (607,709) (343,367,500) (42,267,512) (255,071) 33,464,000 (401,553) (42,267,520) (43,166,561) (42,167,5422) 186,0075 (191,72,712)		Estimated Gross Timing Difference to Reverse 2019 2021 per Docket No.	Estimated State	Actual Gross Timing Difference Reversed 2019-	Actual State	State Excess DIT
DFE SPC O. F. NOL - UNROTECTED 195,804,782 (1,611,826) 185,184,69 (1,523,858) 57.5 SEC 263 INTEREST CAP 32,273,142 (265,715) 61,555,582 (609,709) (343,275) SEC 263 INTEREST CAP 32,273,142 (265,715) 61,555,582 (609,709) (142,4 COST OF REMOVAL (65,151,997) 56,318 (80,295,722) 882,716 346,5 SEC 263 INDERCT COSTS (243,267) 20,03 2,218,212 (45,168,581) (71,717) LEASE, ROU ASSET - OPER - - 24,237,292 (186,6666) (116,66666) DEFERRED REVENUE 43,89,389 (61,33) 43,83,887 (125,848) (81,102,71,710) DEFERRED REVENUE 43,86,393 (77,170) 15,855,887 (125,848) (81,102,71,713) CAC 24,015,266 (197,689) 18,457,467 (165,666,69) (12,71,713) CAC - - - 1,825,896 (28,244) (28,274) VACATION ACCRUAL 12,230,005 (100,675) 88,937 2,043 </th <th>M-Item</th> <th>•</th> <th>Excess DIT</th> <th>2021</th> <th>Excess DIT</th> <th>Variance</th>	M-Item	•	Excess DIT	2021	Excess DIT	Variance
SEC 203A INTEREST CAP 32,273,112 (265,715) 61,555,822 (007,709) (343) PENSION-IC 31,472,000 (259,071) 38,346,000 (401,533) (134,253) SEC 205A INDRECT COSTS (243,270) (259,071) 38,346,000 (401,533) (144,71,114,114,114,114,114,114,114,114,1	DEPRECIATION - BOOK TAX DIFF STATE	324,024,652	(2,667,306)	394,693,119	(3,957,458)	(1,290,152)
PERSION - NC 31,472,2000 (25)071) 38,464,000 (401,533) (42,2) COST OF REMOVAL (65,151,997) 536,318 (80,295,792) 882,716 346,2 COST OF REMOVAL (65,151,997) 536,318 (80,295,792) 882,716 346,2 COST OF REMOVAL (43,168,581) 371,819 (21,487,482) 180,075 (191,131) DEFERRED FUEL (43,168,581) 371,819 (21,487,482) 180,075 (191,131) LEASE - ROU ASSET - OPER - - 2,4237,929 (185,666) (185,666) COAC 9,366,930 (77,107) 15,895,887 (158,248) (81,131) COAC 2,4015,266 (197,669) 18,437,467 (165,666) 32,0 VACATION ACCRUAL 12,230,005 (100,675) 88,937 2,043 102,7 FAS 112 6,717,095 (55,294) 19,668,811 (166,200) (7,7,4 RAIE CASE EXFENSE - NC - - 12,89,869 (3,2,7) 33,3 UNBILLED CONSERVATION REV <	DEF SEP CO - FL NOL - UNPROTECTED	195,804,782	(1,611,826)	185,118,469	(1,523,858)	87,968
COST OF REMOVAL (65, 51, 997) 536, 318 (80, 295, 792) 882, 716 346, 35 SEC 263A INDIRECT COSTS (243, 267) 32, 033 2, 218, 212 (45, 163, 314) (47, 192, 192, 192) (186, 192, 192, 192) (186, 192, 192, 192, 192, 192, 192, 192, 192	SEC 263A INTEREST CAP	32,279,142	(265,715)	61,555,582	(609,709)	(343,993)
SEC 263A INDIRECT COSTS (24,32,257) 2,003 2,218,212 (45,163) (47,17) DEFERRED FUEL (45,168,581) 371,819 (21,875,482) 180,075 (191,7) ACCRUED BONUS 17,161,091 (141,267) 35,529,208 (22,469) (151,2) LEASE - ROU ASSET - OPER - - 2,4237,929 (186,696) (186,696) DEFERRED REVENUE 4,389,389 (72,275) (36,6) (32,0) (34,57,467) (165,666) (32,0) CIAC 24,015,2666 (197,689) 18,457,467 (165,666) 32,00 (73,4) CIAC 24,015,2666 (197,689) 18,457,467 (48,972) 6,3 CIAC 2,230,005 (100,675) 88,937 2,043 10,2,7 CIAC - - 1,269,442 (27,788) 19,068,881 (166,600) (12,1,7,93) UNBLUED CONSERVATION REV 1,898,277 (15,626) (12,411) - - 2,30,07,868 (35,633) (5,52) (14,612,66) 18,141 439,8	PENSION - NC	31,472,000	(259,071)	38,464,000	(401,533)	(142,461)
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ACCRUED BONUS 17,161,091 (141,267) 35,529,208 (29,469) (151,2) LEASE - NOU ASSET - OPER - - - - 24,237,929 (186,696) (186,7) DEFERRED REVENUE 4,389,389 (35,13) 4,389,389 (72,295) (35,13) LONG TERM INCENTIVE 9,366,930 (77,107) 15,895,887 (158,248) (81,1) CIAC 24,015,266 (197,689) 18,4767 (1165,686) 32,0 VACATION ACCRUAL 12,230,005 (100,675) 88,937 2,043 102,7 FAS 106 - NC 11,269,442 (22,768) 19,068,881 (16,6200) (73,4 RATE CASE EXPENSE - NC - - 1,825,896 (28,344) (28,344) UNBILLED EVINGOMENTAL REV 2,964,432 (24,403) (1,44,1656) 18,104 42,5 UNBILLED EVINGOMENTAL REV 2,964,432 (24,403) (1,44,1656) 18,104 42,5 UNBILLED EVINGOMENTAL REV 2,964,432 (24,403) (1,44,1656) 18,104 42,2 </td <td>SEC 263A INDIRECT COSTS</td> <td>(243,267)</td> <td>2,003</td> <td>2,218,212</td> <td>(45,163)</td> <td>(47,166)</td>	SEC 263A INDIRECT COSTS	(243,267)	2,003	2,218,212	(45,163)	(47,166)
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G/L - SALE OF ASSETS 521,846 (4,296) 507,739 (5,459) (1,1) INTERST EXPENSE - - (5,510) (5,500) (5,500) (5,500) (5,500) (5,500) (5,500) (5,500) (5,500) (5,500) (5,500) (5,500) (5,500) (5,500) (5,500) (5,500) (5,500) (5,500) (5,500) (5,500) (2,1,78) - -	DEFERRED LEASE - NC					(691)
INTEREST EXPENSE - - (5,510) (5,50) OCI FAS 133 INTEREST - NC 294,084 (2,421) - - 2,4 LOSS FROM GRANTOR TRUST 264,538 (2,178) - - 2,1 FIBER OPTIC 418,921 (3,448) 3,025,554 (24,802) (21,3 CURRENCY ADJ - UNREAL G/L - - (15,353) (79) - DEPRECIATION - BOOK - - (351,920) 2,897 2,6 LEGAL EXPENSES 589,926 (4,856) 125,673 (1,035) 3,68 RESTORATION PLAN 333,120 (2,742) 471,286 (251) 2,4 AMORT - BOND DISCOUNT (362,775) 2,986 (362,775) 3,868 8 DISMANTLEMENT COSTS 3,558,282 (29,291) 3,558,282 (37,940) (8,6 AMORT - BOND DISCUUNT (682,729) 5,620 (669,297) 7,018 1,2 AMORT - BOND PREMIUM (682,729) 5,620 (669,297) 7,018 1,2 <						(1,163)
OCI FAS 133 INTEREST - NC 294,084 (2,421) - - 2,4 LOSS FROM GRANTOR TRUST 264,538 (2,178) - - 2,1 FIBER OPTIC 418,921 (3,448) 3,025,554 (24,802) (21,3 CURRENCY ADJ - UNREAL G/L - - (15,353) (79) 0 DEPRECIATION = BOOK - - (351,920) 2,897 2,8 RESTORATION PLAN 333,120 (2,742) 471,286 (251) 2,4 AMORT - BOND DISCOUNT (362,775) 2,986 (362,775) 3,868 28 DISMANTLEMENT COSTS 3,558,282 (29,291) 3,558,282 (37,940) (8,6 AMORT - BOND DISCUUT (682,775) 2,986 (362,775) 3,868 28 DISMANTLEMENT COSTS 3,558,282 (29,291) 3,558,282 (37,940) (8,6 AMORT - BOND PREMIUM (682,729) 5,620 (699,297) 7,018 1,3 BAD DEBT 762,123 (6,274) 7,656,794 (-		(.)===;		,	(5,510)
LOSS FROM GRANTOR TRUST 264,538 (2,178) - 2,1 FIBER OPTIC 418,921 (3,448) 3,025,554 (24,802) (21,33) CURRENCY ADJ - UNREAL G/L - - (15,353) (79) - DEPRECIATION - BOOK - - (351,920) 2,897 2,6 LEGAL EXPENSES 589,926 (4,856) 125,673 (1,035) 3,6 RESTORATION PLAN 333,120 (2,742) 471,286 (251) 2,4 AMORT - BOND DISCOUNT (362,775) 2,986 (362,775) 3,868 8 DISMANTLEMENT COSTS 3,558,822 (29,291) 3,558,226 (37,940) (8,6 AMORT - BOND DISCUE COSTS (491,054) 4,042 (491,055) 5,198 1,1 AMORT - BOND PREMIUM (682,729) 5,620 (669,297) 7,018 1,3 BAD DEBT 762,123 (6,274) 7,655,794 (70,052) (6,3,7 DREDGING (1,091,112) 8,982 (1,091,111) 10,366		294.084	(2.421)	-		2,421
FIBER OPTIC (1,448) 3,025,554 (24,802) (21,2) CURRENCY AD - UNREAL G/L - - (15,353) (79) 0 DEPRECIATION - BOOK - - (351,920) 2,897 2,6 LEGAL EXPENSES 589,926 (4,856) 125,673 (1,035) 3,6 RESTORATION PLAN 333,120 (2,742) 471,286 (251) 2,4 AMORT - BOND DISCUNT (362,775) 2,986 (362,775) 3,868 6 DISMANTLEMENT COSTS 3,558,282 (29,291) 3,558,282 (37,940) (8,6 AMORT - BOND DISCUNT (682,729) 5,620 (669,297) 7,018 1,3 AMORT - BOND PREMIUM (682,729) 5,620 (669,297) 7,018 1,3 BAD DEBT 762,123 (6,274) 7,656,794 (70,052) (63,7 DREDGING (1,091,112) 8,982 (1,091,111) 10,366 1,3 ACCRUED SEVERANCE - (2,204,797) 22,173 22,173 22,13 <td>LOSS FROM GRANTOR TRUST</td> <td></td> <td> ,</td> <td>-</td> <td></td> <td>2,178</td>	LOSS FROM GRANTOR TRUST		,	-		2,178
CURRENCY ADJ - UNREAL G/L - - (15,353) (79) DEPRECIATION - BOOK - - (35,1920) 2,897 2,28 LEGAL EXPENSES 589,926 (4,856) 125,673 (1,035) 3,8 RESTORATION PLAN 333,120 (2,742) 471,286 (251) 2,4 AMORT - BOND DISCOUNT (362,775) 2,986 (362,775) 3,868 8 DISMANTLEMENT COSTS 3,558,282 (29,291) 3,558,282 (37,940) (8,6 AMORT - BOND DISCE COSTS (491,054) 4,042 (491,055) 5,198 1,1 AMORT - BOND PREMIUM (682,729) 5,620 (669,297) 7,018 1,2 BAD DEBT 762,123 (6,274) 7,656,794 (70,052) (6,63,74) DREDGING (1,091,112) 8,982 (1,091,111) 10,366 1,2 ACCRUED SEVERANCE - (2,204,777) 22,173 22,173 22,173 22,173 22,173 22,173 22,173 22,173 22,174 <td< td=""><td></td><td></td><td> ,</td><td>3.025.554</td><td>(24.802)</td><td>(21,353)</td></td<>			,	3.025.554	(24.802)	(21,353)
DEPRECIATION - BOOK - (351,920) 2,897 2,6 LEGAL EXPENSES 589,926 (4,856) 125,673 (1,035) 3,8 RESTORATION PLAN 333,120 (2,742) 471,286 (251) 2,4 AMORT - BOND DISCOUNT (36,775) 2,986 (362,775) 3,868 8 DISMANTLEMENT COSTS 3,558,282 (29,291) 3,558,282 (37,940) (8,6 AMORT - BOND DISCUE COSTS (491,054) 4,042 (491,055) 5,198 1,1 AMORT - BOND PREMIUM (682,729) 5,620 (669,297) 7,018 1,2 BAD DEBT 762,123 (6,274) 7,656,794 (70,052) (63,7 DREDGING (1,091,12) 8,982 (1,091,111) 10,366 1,3 ACCRUE D SEVERANCE - (2,204,797) 22,173 22,47 DEFERRED COMP 496,666 (4,088) (3,054,559) 30,692 34,7 STORM PROTECTION CLAUSE - (2,204,797) 22,173 22,173 22,41 <td>CURRENCY ADJ - UNREAL G/L</td> <td></td> <td></td> <td></td> <td></td> <td>(79)</td>	CURRENCY ADJ - UNREAL G/L					(79)
LEGAL EXPENSES 589,926 (4,856) 125,673 (1,035) 3,5 RESTORATION PLAN 333,120 (2,742) 471,286 (251) 2,4 AMORT - BOND DISCOUNT (362,775) 2,986 (362,775) 3,868 25 DISMANTLEMENT COSTS 3,558,282 (29,291) 3,558,282 (37,940) (8,6 AMORT - BOND ISSUE COSTS (491,054) 4,042 (491,055) 5,198 1,1 AMORT - BOND PREMIUM (682,729) 5,620 (669,297) 7,018 1,3 BAD DEBT 762,123 (6,274) 7,656,794 (70,052) (6,3,7 DREDGING (1,091,112) 8,982 (1,091,111) 10,366 1,3 ACCRUED SEVERANCE - (2,204,797) 22,173 22,1 DEFERRED COMP 496,666 (4,088) (3,054,559) 30,692 34,7 STORM PROTECTION CLAUSE - 4,997,559 (41,139) (41,12) UNBILLED REVENUE/FUEL 27,130,621 (223,334) 3,388,729 (27,895)	-	-	-			2,897
RESTORATION PLAN 333,120 (2,742) 471,286 (251) 2,4 AMORT - BOND DISCOUNT (362,775) 2,986 (362,775) 3,868 68 DISMANTLEMENT COSTS 3,558,282 (29,291) 3,558,282 (37,940) (8,6 AMORT - BOND DISCE COSTS (491,054) 4,042 (491,055) 5,198 1,1 AMORT - BOND PREMIUM (682,729) 5,620 (669,297) 7,018 1,3 BAD DEBT 762,123 (6,274) 7,656,794 (70,052) (663,79) DREDGING (1,091,112) 8,982 (1,091,111) 10,366 1,33 ACCRUED SEVERANCE - (2,204,77) 22,173 22,173 22,173 DEFERRED COMP 496,666 (4,088) (3,054,559) 30,692 34,73 STORM PROTECTION CLAUSE - 4,997,559 (41,139) (41,139) (41,139) (41,139) (41,139) (41,139) (41,142) (28,827) 194,846 194,846 194,846 194,846 194,846 194,846		589,926	(4.856)			3,822
AMORT - BOND DISCOUNT (362,775) 2,986 (362,775) 3,868 8 DISMANTLEMENT COSTS 3,558,282 (29,291) 3,558,282 (37,940) (8,6 AMORT - BOND DISSUE COSTS (491,054) 4,042 (491,055) 5,198 1,1 AMORT - BOND PREMIUM (682,729) 5,620 (669,297) 7,018 1,3 BAD DEBT 762,123 (6,274) 7,656,794 (70,052) (63,7 DREDGING (1,091,112) 8,982 (1,091,111) 10,366 1,3 ACCRUED SEVERANCE - (2,204,797) 22,173		-	,		,	2,491
DISMANTLEMENT COSTS 3,558,282 (29,291) 3,558,282 (37,940) (8,6 AMORT - BOND SUE COSTS (491,054) 4,042 (491,055) 5,198 1,1 AMORT - BOND PREMIUM (682,729) 5,620 (669,297) 7,018 1,2 BAD DEBT 762,123 (6,274) 7,656,794 (70,052) (63,7 DREDGING (1,091,112) 8,982 (1,091,111) 10,366 1,3 ACCRUED SEVERANCE - (2,204,797) 22,173 22,4 DEFERRED COMP 496,666 (4,088) (3,054,559) 30,692 34,7 STORM PROTECTION CLAUSE - 4,997,559 (41,139) (41,139) UNBILED REVENUE/FUEL 27,130,621 (223,334) 3,388,729 (27,895) 195,4 DEFERRED INTEREST - BONDS (6,782,538) 55,832 (6,782,540) 66,010 10,1 LEASE LIABILITY - OPER - - (25,233,827) 194,846 194,84 AMORTIZATION STATE (22,157,320) 182,395 (45,508,326)<						882
AMORT - BOND ISSUE COSTS (491,054) 4,042 (491,055) 5,198 1,1 AMORT - BOND PREMIUM (682,729) 5,620 (669,297) 7,018 1,3 BAD DEBT 762,123 (6,274) 7,655,794 (70,052) (6,3,7 DREDGING (1,091,112) 8,982 (1,091,111) 10,366 1,3 ACCRUED SEVERANCE - (2,204,797) 22,173 22,1 DEFEGRED COMP 496,666 (4,088) (3,054,559) 30,692 34,7 STORM PROTECTION CLAUSE - 4,997,559 (41,139) (41,1 UNBILLED REVENUE/FUEL 27,130,621 (223,334) 3,388,729 (27,895) 195,4 DEFERRED INTEREST - BONDS (6,782,538) 55,832 (6,782,540) 66,010 10,1 LEASE LIABILITY - OPER - - (22,233,827) 194,846 194,846 AMORTIZATION STATE (22,157,320) 182,395 (445,508,326) 643,054 460,66 REPAIRS CAPITALIZED ON BOOKS (50,323,538) 414,253	DISMANTLEMENT COSTS					(8,649)
AMORT - BOND PREMIUM (682,729) 5,620 (669,297) 7,018 1,3 BAD DEBT 762,123 (6,274) 7,656,794 (70,052) (65,7 DREDGING (1,091,112) 8,982 (1,091,111) 10,366 1,3 ACCRUED SEVERANCE - (2,204,797) 22,173 22,173 22,173 DEFERRED COMP 496,666 (4,088) (3,054,559) 30,692 34,7 STORM PROTECTION CLAUSE - 4,997,559 (41,139) (41,1 UNBILLED REVENUE/[FUEL 27,13,021 (223,334) 3,388,779 (27,895) 195,4 DEFERRED INTEREST - BONDS (6,782,538) 55,832 (6,782,540) 66,010 10,1 LEASE LIABILITY - OPER - - (25,233,827) 194,846 194,846 AMORTIZATION STATE (22,157,320) 182,395 (45,508,326) 643,054 460,66 REPAIRS CAPITALIZED ON BOOKS (50,322,538) 414,253 (131,974,246) 1,281,769 867,5 518,150,995 (4,265,315)	AMORT - BOND ISSUE COSTS					1,156
BAD DEBT 762,123 (6,274) 7,656,794 (70,052) (63,7 DREDGING (1,091,112) 8,982 (1,091,111) 10,366 1,3 ACCRUED SEVERANCE - (2,204,797) 22,173 22,2,17 DEFERED COMP 496,666 (4,088) (3,054,559) 30,692 34,7 STORM PROTECTION CLAUSE - 4,997,559 (41,139) (41,139) (41,139) (41,139) UNBILED REVENUE/FUEL 27,130,621 (223,334) 3,388,729 (27,895) 195,4 DEFERRED INTEREST - BONDS (6,782,538) 55,832 (6,782,540) 66,010 10,1 LEASE LIABILITY - OPER - - (25,233,827) 194,846 194,86 AMORTIZATION STATE (22,157,320) 182,395 (45,508,326) 643,054 466,06 REPAIRS CAPITALIZED ON BOOKS (50,323,538) 414,253 (131,974,246) 1,281,769 867,7 518,150,995 (4,265,315) 511,599,119 (4,556,867) (291,551) (291,551) (291,551) <td>AMORT - BOND PREMIUM</td> <td></td> <td></td> <td></td> <td></td> <td>1,398</td>	AMORT - BOND PREMIUM					1,398
DREDGING (1,091,112) 8,982 (1,091,111) 10,366 1,3 ACCRUED SEVERANCE - (2,204,797) 22,173 22,1 DEFERRED COMP 496,666 (4,088) (3,054,559) 30,692 34,7 STORM PROTECTION CLAUSE - 4,997,559 (41,139) (41,139) (41,139) UNBILLED REVENUE/FUEL 27,130,621 (223,334) 3,388,729 (27,895) 195,4 DEFERRED INTEREST - BONDS (6,782,538) 55,832 (6,782,540) 66,010 10,1 LEASE LIABILITY - OPER - - (25,233,827) 194,846 194,846 AMORTIZATION STATE (22,157,20) 182,395 (45,508,326) 643,054 460,66 REPAIRS CAPITALIZED ON BOOKS (50,323,538) 414,253 (131,974,246) 1,281,769 867,5 518,150,995 (4,265,315) 511,599,119 (4,556,867) (291,551)						(63,778)
ACCRUED SEVERANCE (2,204,797) 22,173 22,1 DEFERRED COMP 496,666 (4,088) (3,054,559) 30,692 34,7 STORM PROTECTION CLAUSE - 4,997,559 (41,139) (41,1 UNBILLED REVENUE/FUEL 27,130,621 (223,334) 3,388,729 (27,895) 195,4 DEFERRED INTEREST - BONDS (6,782,538) 55,832 (6,782,540) 66,010 10,1 LEASE LIABILITY - OPER - - (25,233,827) 194,846 194,84 AMORTIZATION STATE (22,157,320) 182,395 (45,508,326) 643,054 460,6 REPAIRS CAPITALIZED ON BOOKS (50,323,538) 414,253 (131,974,246) 1,281,769 867,5 518,150,995 (4,265,315) 511,599,119 (4,556,867) (291,5) 129,57						1,384
DEFERRED COMP 496,666 (4,088) (3,054,559) 30,692 34,7 STORM PROTECTION CLAUSE - 4,997,559 (41,139) (41,139) (41,130) UNBILLED REVENUE/FUEL 27,130,621 (22,334) 3,388,729 (27,895) 195,4 DEFERRED INTEREST - BONDS (6,782,538) 55,832 (6,782,540) 66,010 10,1 LEASE LIABILITY - OPER - - (22,33,827) 194,846 194,84 AMORTIZATION STATE (22,157,320) 182,395 (45,508,326) 643,054 460,6 REPAIRS CAPITALIZED ON BOOKS (50,323,538) 414,253 (131,974,246) 1,281,769 867,7 518,150,995 (4,265,315) 511,599,119 (4,556,867) (291,57)	ACCRUED SEVERANCE		-,			22,173
STORM PROTECTION CLAUSE 4,997,559 (41,139) (41,139) UNBILLED REVENUE/FUEL 27,130,621 (223,334) 3,388,729 (27,895) 195,4 DEFERRED INTEREST - BONDS (6,782,538) 55,832 (6,782,540) 66,010 10,1 LEASE LIABILITY - OPER - (25,233,827) 194,846 194,8 AMORTIZATION STATE (22,157,320) 182,395 (45,508,326) 643,054 460,0 REPAIRS CAPITALIZED ON BOOKS (50,323,538) 414,253 (131,974,246) 1,281,769 867,5 518,150,995 (4,265,315) 511,599,119 (4,556,867) (291,5		496.666	(4.088)			34,780
UNBILLED REVENUE/FUEL 27,130,621 (223,334) 3,388,729 (27,895) 195,4 DEFERRED INTEREST - BONDS (6,782,538) 55,832 (6,782,540) 66,010 10,1 LEASE LIABILITY - OPER - (22,3374) 194,846 194,84 AMORTIZATION STATE (22,157,320) 182,395 (45,508,326) 643,054 460,66 REPAIRS CAPITALIZED ON BOOKS (50,322,538) 414,253 (131,974,246) 1,281,769 867,5 518,150,995 (4,265,315) 511,599,119 (4,556,867) (291,5)	STORM PROTECTION CLAUSE	-	,		(41,139)	(41,139)
DEFERRED INTEREST - BONDS (6,782,538) 55,832 (6,782,540) 66,010 10,1 LEASE LIABILITY - OPER - (25,233,827) 194,846 194,8 AMORTIZATION STATE (22,157,320) 182,395 (45,508,326) 643,054 460,6 REPAIRS CAPITALIZED ON BOOKS (50,323,538) 414,253 (131,974,246) 1,281,769 867,5 518,150,995 (4,265,315) 511,599,119 (4,556,867) (291,5)		27,130.621	(223,334)			195,439
LEASE LIABILITY - OPER - (25,233,827) 194,846 194,8 AMORTIZATION STATE (22,157,320) 182,395 (45,508,326) 643,054 460,6 REPAIRS CAPITALIZED ON BOOKS (50,323,538) 414,253 (131,974,246) 1,281,769 867,5 518,150,995 (4,265,315) 511,599,119 (4,556,867) (291,55)						10,177
AMORTIZATION STATE (22,157,320) 182,395 (45,508,326) 643,054 460,6 REPAIRS CAPITALIZED ON BOOKS (50,323,538) 414,253 (131,974,246) 1,281,769 867,5 518,150,995 (42,65,315) 511,599,119 (4,556,867) (291,55)		(2,702,550)				194,846
REPAIRS CAPITALIZED ON BOOKS (50,323,538) 414,253 (131,974,246) 1,281,769 867,5 518,150,995 (4,265,315) 511,599,119 (4,556,867) (291,5)		(22,157.320)	182,395			460,659
518,150,995 (4,265,315) 511,599,119 (4,556,867) (291,5						867,516
						(291,552)
5 Year Amortization (853,063) (911,373) (58 9		5 Year Amortization	(853,063)	. ,,	(911,373)	(58,310)

Five Year Amortization of Excess ADIT				
	Original	Actual	Difference	
YEAR 1-2019	(853,063)	(911,373)	(58,310)	
YEAR 2-2020	(853,063)	(911,373)	(58,310)	
YEAR 3-2021	(853,063)	(911,373)	(58,310)	(174,931) through Year
YEAR 4-2022	(853,063)	(911,373)	(58,310)	(911,373)
YEAR 5-2023	(853,063)	(911,373)	(58,310)	(911,373)
TOTAL	(4,265,315)	(4,556,867)	(291,552)	(1,997,678)

	Summary of Rate Change				
	Former Rate	New Rate 2019-2020	New Rate 2021		
offset	-0.01155	-0.0093618	-0.0074235		
state	0.055	0.04458	0.03535		
fed	0.19845	0.2006382	0.2025765		
st + offset	0.04345	0.0352182	0.0279265		
fed stat.	0.21	0.21	0.21		
Net Fed & State	0.25345	0.2452182	0.2379265		

Florida State Income Tax Rate Change Estimated Annual Revenue Requirement Difference 2021 Budget

Net Operating Income (Retail Jursidictional) at Former Tax Rate	\$ 377,664,782
Net Operating Income (Retail Jursidictional) at New Tax Rate	 380,390,608
Impact of New Rate	\$ 2,725,826
Effective Tax Rate Gross-Up Factor	 0.76207350
Revenue Requirement Change	\$ 3,576,854
Excess State Tax True Up	\$ 1,997,678
Effective Tax Rate Gross-Up Factor	 0.76207350
Excess State Tax True Up Revenue Requirement	\$ 2,621,371
Total Revenue Requirement Change	\$ 6,198,225