

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Environmental Cost)
Recovery Clause.)
_____)

DOCKET NO. 20230007-EI
FILED: October 6, 2023

**TAMPA ELECTRIC COMPANY'S
PREHEARING STATEMENT**

APPEARANCES:

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On behalf of Tampa Electric Company

(1) WITNESSES:

<u>Witness</u>	<u>Subject Matter</u>	<u>Issue #</u>
<u>Direct</u>		
<u>M. Ashley Sizemore</u>	<u>Final true-up for period ending December 31, 2022; estimated true-up for period January 2023 through December 2023; projections for period January 2024 through December 2024</u>	<u>1,2,3,4,5,6,7,8</u>
	<u>Tariff approval</u>	<u>9</u>
<u>Byron T. Burrows</u>	<u>Qualification of environmental activities for ECRC recovery</u>	<u>3</u>

(2) EXHIBITS:

<u>Witness</u>	<u>Proffered By</u>	<u>Exhibit No.</u>	<u>Description</u>	<u>Issue #</u>
<u>M. Ashley Sizemore</u>	<u>Tampa Electric</u>	<u>MAS-1</u>	<u>Final Environmental Cost Recovery Commission Forms 42-1A through 42-9A for the period January 2022 through December 2022</u>	<u>1, 4</u>
<u>M. Ashley Sizemore</u>	<u>Tampa Electric</u>	<u>MAS-2</u>	<u>Environmental Cost Recovery Commission Forms 42-1E through 42-9E for the Period January 2023 through December 2023</u>	<u>2, 4</u>
<u>M. Ashley Sizemore</u>	<u>Tampa Electric</u>	<u>MAS-3</u>	<u>Environmental Cost Recovery Forms 42-1P through 42-8P for the Period January 2024 through December 2024</u>	<u>3, 5-9</u>

(3) STATEMENT OF BASIC POSITION

The Commission should approve the compliance programs described in the testimony and exhibits of Tampa Electric witnesses Sizemore and Burrows for environmental cost recovery. The Commission should also approve Tampa Electric’s calculation of its environmental cost recovery final true-up for the period January 2022 through December 2022, the actual/estimated environmental cost recovery true-up for the current period January 2023 through December 2023, and the company’s projected ECRC revenue requirement and the company’s proposed ECRC factors for the period January 2024 through December 2024 using the 2021 Settlement Agreement methodology.

(4) STATEMENT OF ISSUES AND POSITIONS

Generic Environmental Cost Recovery Issues

ISSUE 1: What are the final environmental cost recovery true-up amounts for the period January 2022 through December 2022?

TECO: The appropriate final environmental cost recovery true-up amount for this period is an over-recovery of \$3,288,223. (Witness: Sizemore)

ISSUE 2: What are the actual/estimated environmental cost recovery true-up amounts for the period January 2023 through December 2023?

TECO: The actual/estimated environmental cost recovery true-up amount for the period is an over-recovery of \$3,180,723. (Witness: Sizemore)

ISSUE 3: What are the projected environmental cost recovery amounts for the period January 2024 through December 2024?

TECO: The appropriate amount of environmental costs projected to be recovered for the period January 2024 through December 2024 is \$23,585,023. (Witnesses: Sizemore; Burrows)

ISSUE 4: What are the environmental cost recovery amounts, including true-up amounts, for the period January 2024 through December 2024?

TECO: The total environmental cost recovery amount, including true-up amounts, for the period January 2024 through December 2024 is \$17,128,401 after the adjustment for taxes. (Witness: Sizemore)

ISSUE 5: What depreciation rates should be used to develop the depreciation expense included in the total environmental cost recovery amounts for the period January 2024 through December 2024?

TECO: The depreciation rates used to calculate the depreciation expense shall be the depreciation rates agreed to in Tampa Electric's 2021 Settlement Agreement were applied to the 2024 projection. (Witness: Sizemore)

ISSUE 6: What are the appropriate jurisdictional separation factors for the projected period January 2024 through December 2024?

TECO: Energy: 100.00%
Demand: 100.00% (Witness: Sizemore)

ISSUE 7: What are the appropriate environmental cost recovery factors for the period January 2024 through December 2024 for each rate group?

TECO: The appropriate environmental cost recovery factors are as follows:

<u>Rate Class</u>	<u>Factor (¢/kWh)</u>
RS	0.089
GS, CS	0.084
GSD, SBF	
Secondary	0.081
Primary	0.080
Transmission	0.080
GSLDPR/GSLDTPR,	0.071

SBLDPR/SBLDTPR

GSLDSU/ GSLDTSU 0.074
SBLDSU/SBLDTSU

LS1, LS2 0.060
Average Factor 0.084
(Witness: Sizemore)

ISSUE 8: What should be the effective date of the new environmental cost recovery factors for billing purposes?

TECO: The factors should be effective beginning with the specified environmental cost recovery cycle and thereafter for the period January 2024 through December 2024. Billing cycles may start before January 1, 2024 and the last cycle may be read after December 31, 2024, so that each customer is billed for twelve months regardless of when the adjustment factors became effective. These charges shall continue in effect until modified by subsequent order of this Commission. (Witness: Sizemore)

ISSUE 9: Should the Commission approve revised tariffs reflecting the environmental cost recovery amounts and environmental cost recovery factors determined to be appropriate in this proceeding?

TECO: Yes. (Witness: Sizemore)

ISSUE 10: Should this docket be closed?

TECO: Yes.

COMPANY-SPECIFIC ENVIRONMENTAL COST RECOVERY ISSUES

Florida Power & Light Company (FPL):

ISSUE 11: Should FPL be allowed to recover, through the ECRC, prudently incurred costs associated with its proposed modification to its St. Lucie Turtle Nets Project?

TECO: No position.

ISSUE 12: Should FPL be allowed to recover, through the ECRC, prudently incurred costs associated with its proposed modification to its Solar Site Avian Monitoring and Reporting Project?

TECO: No position.

Duke Energy Florida, LLC (DEF):

ISSUE 13: Should the Commission approve DEF's Reclaimed Water Interconnection Project for cost recovery through the ECRC?

TECO: No position.

ISSUE 14: How should the approved costs related to DEF's Reclaimed Water Interconnection Project be allocated to the rate classes?

TECO: No position.

ISSUE 15: Should the Commission approve DEF's Lead and Copper Rule Project for cost recovery through the ECRC?

TECO: No position.

ISSUE 16: How should the approved costs related to DEF's Lead and Copper Rule Project be allocated to the rate classes?

TECO: No position.

(5) STIPULATED ISSUES

TECO: None at this time.

(6) MOTIONS

TECO: None at this time.

(7) PENDING REQUEST OR CLAIMS FOR CONFIDENTIALITY

TECO: None at this time.

(8) OBJECTIONS TO WITNESS' QUALIFICATIONS AS EXPERT

TECO: Tampa Electric has no objections to any witness' qualifications as an expert in this proceeding.

(9) REQUEST FOR SEQUESTRATION OF WITNESSES

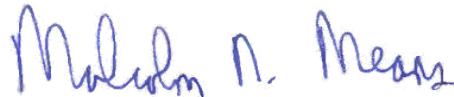
TECO: Tampa Electric does not request the sequestration of any witnesses at this time.

(10) COMPLIANCE WITH PREHEARING ORDER NO. PSC-2023-0099-PCO-EI

TECO: Tampa Electric has complied with all requirements of Order No. PSC-2023-0088-PCO-EI, which is the Order Establishing Procedure entered in this docket.

DATED this 6th day of October 2023.

Respectfully submitted,



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ATTORNEYS FOR TAMPA ELECTRIC COMPANY

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing Prehearing Statement, filed on behalf of Tampa Electric Company has been furnished by electronic mail on this 6th day of October 2023 to the following:

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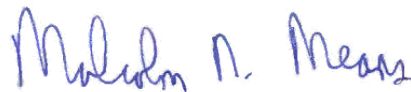
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