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Tampa Electric's Response to Staff's Seventh
Set of Interrogatories Nos. 143-148

(Nos. 145-148 have attachments)

**TAMPA ELECTRIC COMPANY
DOCKET NO. 20210034-EI
STAFF'S SEVENTH SET OF
INTERROGATORIES
INTERROGATORY NO. 143
BATES PAGES: 1
FILED: AUGUST 16, 2021**

- 143.** Please refer to OPC Interrogatory No. 33. Please explain if the amount of directors and officers liability (DOL) insurance included in the test year 2022 reflects the full cost of the insurance or whether the amount reflects a reduction by 50 percent consistent with Commission practice set forth in Order No. PSC-10-0131-FOF-EI, Order No. PSC-11-0256-PAA-WS, and Order No. PSC-13-0611-PAA-WS.
- A.** The amount of directors and officers liability ("DOL") insurance shown in OPC's First Set of Interrogatories, No. 33 included in the 2022 test year reflects the full cost of the insurance in accordance with the company's prior rate case in 2008 and included in Order No. PSC-2009-0283-FOF-EI and has not been reduced by 50 percent. DOL insurance is an appropriate retail expense and the orders referenced above are not directly related to Tampa Electric Company. Order No. PSC-2009-0283-FOF-EI reflects that DOL insurance is appropriate, and no adjustment was needed as it was considered "part of doing business for a publicly-owned company necessary to attract and retain competent directors and officer."

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INTERROGATORY NO. 144
BATES PAGES: 2-3
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144. Please provide the most recent actual and estimated rate case expense, including detailed explanations and calculations to justify estimated expense to complete this rate case.

A. Please see attached for the most recent actual and estimated rate case expense.

Docket No. 20210034-EI Tampa Electric Rate Case Expense

	(A)	(B)	(C)	(D)	(E)	(D)	(E)
	Booked through July '21	July '21 Estimated	Aug - Dec '21 Estimated	Total	Estimate	Variance	Description
Ausley & McMullen PA	\$ 867,448	\$ 128,250	\$ 204,302	\$ 1,200,000	\$ 1,200,000	\$ -	Legal expenses for rate case
ABS Consulting	110,200	-	39,800	150,000	150,000	-	Storm study, discovery, witness testimony and other support for case
PowerPlan	176,769	-	85,231	262,000	262,000	-	Tax analysis and testimony planning; MFR preparation and review
ScottMadden	32,679	-	97,321	130,000	130,000	-	ROE study, discovery, witness testimony and other support for case
Votage Engineering Corporation	56,388	4,713	68,899	130,000	130,000	-	Cost of service study, discovery, witness testimony and other support for case
Sargent & Lundy	13,056	-	106,944	120,000	120,000	-	Big Bend Units study for dismantlement (while station operates), discovery, witness testimony and other support for case
Burns McDonnell (1898&Co)	125,000	-	40,000	165,000	165,000	-	Dismantlement study (standard analysis all units), discovery, witness testimony and other support for case.
Strategic Staffing Solutions	39,330	-	-	39,330	-	39,330	Consultant MFR preparation and review
Mercer	-	-	10,000	10,000	20,000	(10,000)	Compensation/benefits study
Radley Law	-	-	50,000	50,000	50,000	-	Expert witness and legal consultant services for preparation for evidentiary hearing
Postage, Shipping and Courier	1,998	-	-	1,998	-	1,998	Non-labor rate case filing expenses; delivery of initial filing
Printing	11,044	-	-	11,044	-	11,044	Non-labor printing costs for rate case initial filing
Hourly Labor - OT	1,190	-	13,810	15,000	15,000	-	OT labor-hourly employee printing expense; other hourly employee OT labor for case management and resolution
Travel and Meals	525	-	174,475	175,000	175,000	-	Consultant, witness and support staff travel for preparation of rate case filings and attendance at hearing
Materials and Supplies	1,150	-	-	1,150	-	1,150	Flash drives for staff and parties for delivery of initial filing
Total	\$ 1,436,777	\$ 132,963	\$ 890,782	\$ 2,460,522	\$ 2,417,000	\$ 43,522	

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INTERROGATORY NO. 145
BATES PAGES: 4-7
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- 145.** Please refer to TECO's responses to Staff's 1st Set of Interrogatories, No. 44(a), Excel file "(BS 105) 2020 Depr Rates Side by Side Comparison.xlsx," Tabs "Prod Plant & Reserve (Original)" and "Prod Plant & Reserve (Update)" and explain the differences shown in Tables A and B below:

Table A: Difference in Reserve Imbalance (original filing)						
Excel file Row No.	Account Number And Title	Post Transfer Accumulated Reserve 12/31/2021 (1)	Theoretical Reserve Amount (2)	Actual Minus Theoretical - TECO Calculated (3) = (2) - (1)	Actual Minus Theoretical - Staff Calculated (4) = (2) - (1)	Difference (5) = (3) - (4)
151	34332 - BP Unit No. 2	65,637,162	144,263,263	(1,796,987)	(78,626,101)	76,829,114
258	Total Other Production	768,082,838	1,015,834,598	(170,922,646)	(247,751,760)	76,829,114
<u>Sources of Data:</u>						
(1) to (3):	TECO's response to Staff's 1st Set of Interrogatories, No.44 (a), Excel file "(BS 105) 2022 Depr Rates Side by Side Comparison.xlsx," Tab "Prod Plant & Reserve (Original)."					
(4):	Staff's calculation.					

Table B: Difference in Reserve Imbalance (update filing)						
Excel file Row No.	Account Number And Title	Post Transfer Accumulated Reserve 12/31/2021 (1)	Theoretical Reserve Amount (2)	Actual Minus Theoretical - TECO Calculated (3) = (2) - (1)	Actual Minus Theoretical - Staff Calculated (4) = (2) - (1)	Difference (5) = (3) - (4)
151	34332 - BP Unit No. 2	88,359,562	170,239,684	(1,796,987)	(81,880,122)	80,083,135
258	Total Other Production	961,790,833	1,228,613,608	(186,739,640)	(266,822,775)	80,083,135
<u>Sources of Data:</u>						
(1) to (3):	TECO's response to Staff's 1st Set of Interrogatories, No.44 (a), Excel file "(BS 105) 2022 Depr Rates Side by Side Comparison.xlsx," Tab "Prod Plant & Reserve (Update)."					
(4):	Staff's calculation.					

- A.** On the tab Prod Plant & Reserve (Original), cell I151 for 34332 - BP Unit No. 2 had a non-working formula =-3144726.8/7*4, which caused the \$76,829,114 difference. The company has corrected the formula used for cell I151 to =E151-G151 and agrees with Staff's calculated (4) result of (\$78,626,101). The revised formula increases the theoretical reserve deficiency for 34332 - BP Unit No. 2. This correction does not impact the proposed remaining life calculation of the depreciation rate nor the proposed change in accrual.

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Due to this formula error, the subsequent subtotals for BP Unit No. 2 row 154, TOTAL BAYSIDE POWER STATION row 186, TOTAL OTHER PRODUCTION row 258 and TOTAL PRODUCTION PLANT row 269 were also affected.

On the tab Prod Plant & Reserve (Updated), cell I151 for 34332 - BP Unit No. 2 had the same non-working formula $=-3144726.8/7*4$, which caused the \$80,083,135 difference. The company has corrected the formula used for cell I151 to $=E151-G151$ and agrees with Staff's calculated (4) result of (\$81,880,122). The revised formula increases the theoretical reserve deficiency for 34332 - BP Unit No. 2. This correction does not impact the proposed remaining life calculation of the depreciation rate nor the proposed change in accrual.

Due to this formula error, the subsequent subtotals for BP Unit No. 2 row 154, TOTAL BAYSIDE POWER STATION row 186, TOTAL OTHER PRODUCTION row 258 and TOTAL PRODUCTION PLANT row 269 were also affected.

The company has corrected the formula and is refiling these MS Excel files accordingly, entitled (BS 6) 2020 Depr Study Life Analysis - Generation Master File - v4.xlsx and (BS 7) 2022 Depr Rates Side by Side Comparison - v2.xls

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INTERROGATORY NO. 146
BATES PAGES: 8-9
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- 146.** Please refer to TECO's responses to Staff's 1st Set of Interrogatories, Nos. 44(a), 45 and MFR Schedules B-7 and B-9. Please explain the differences shown in Table 3 below and provide reconciliations, if necessary, among the differences noted.

Table A: Difference in Accumulated Depreciation Reserve As of 12/31/2021						
	Accumulated Depreciation Reserve As of 12/31/21			Difference		
	(BS 105)	(BS 107)	Schedule B-9	(BS 105) Vs. Schedule B-9	(BS 107) Vs. Schedule B-9	(BS 105) Vs. (BS 107)
	(1)	(2)	(3)	(4) = (1) - (3)	(5) = (2) - (3)	(6) = (1) - (2)
Production-Steam	470,537,303	393,547,741	(82,647,000)	553,184,303	476,194,741	76,989,562
Production-Other	961,790,833	959,187,679	959,188,000	2,602,833	(321)	2,603,154
Transmission	248,526,829	248,526,829	243,202,000	5,324,829	5,324,829	0
Distribution	1,078,654,677	1,067,102,148	1,030,955,000	47,699,677	36,147,148	11,552,529
General	162,925,456	162,925,456	162,912,000	13,456	13,456	0
Total Depreciable Plant	2,922,435,099	2,831,289,854	2,313,610,000	608,825,099	517,679,854	91,145,245
Sources of Data:						
Column (1):	TECO's response to Staff's 1st Set of Interrogatories, No.44 (a), Excel file "(BS 105) 2022 Depr Rates Side by Side Comparison.xlsx," Tabs "Prod Plant & Reserve (Update)" and "TDG Plant & Reserve (Update)."					
Column (2):	TECO's Responses to Staff's 1st Interrogatories, No. 45, Excel files "(BS 107) 2020 Depr Study Life Analysis - Generation Master File - v3.xlsx," Tab "2021 B-9" and "(BS 108) 2020 Depr Study Life Analysis - TDG Master File -					
Column (3):	MFR Schedule B-9, Pages 13 and 17-18.					

- A.** The \$517 million difference is the net book values related to the early shutdown retirements for Big Bend Units 1,2,3 and AMR assets needing to be adjusted out of (BS 105) reserves. The \$91 million difference is primarily related to budget errors that generated excess retirements needing to be adjusted out of (BS 105) reserves. These (BS 105) reserve adjustments are necessary to manage the reserve ratios feeding into the remaining life formula calculation of depreciation rates.

Please see MS Excel file entitled (BS 9) Reconciliation of B-9 Reserve Balances.xlsx

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INTERROGATORY NO. 147
BATES PAGES: 10-12
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- 147.** Please refer to TECO witness Avellan's Direct Testimony, page 20, Line 14 through page 21, Line 2, and TECO's 2020 Depreciation and Dismantlement Study, Bates-stamped pages 1121 – 1151. Please specify TECO's proposed amounts of cost, annual accrual and reserve for dismantlement by completing Tables A through C below, and provide them in a MS Excel file.

Table A: TECO's Dismantlement Annual Accruals

Plant Site	Function (Steam/ Other)	2011 Study Cost	2020 Study Cost	Current Annual Accrual	Proposed Accrual for 2022 Projected Test Year	Proposed Increase/ Decrease in Annual Accrual
		(\$)	(\$)	(\$)	(\$)	(\$)
...						
...						
Subtotal - Base						
...						
...						
Subtotal - Clause						
Total						
Jurisdictional Separation Factor						
Base (Retail Amounts)						
Clause (Retail Amounts)						
Total (Retail Amounts)						

Table B: TECO's Dismantlement Reserve Position

Plant Site	Function (Steam/ Other)	Estimated Reserves (12/31/2021)	Theoretical Reserve	Estimated Reserve Surplus/ Deficit	Proposed Transfers	Proposed Restated Reserve for 1/1/2022
		(\$)	(\$)	(\$)	(\$)	(\$)
...						
...						
Subtotal (Base)						
...						
...						
Subtotal (Clause)						
Total						
Jurisdictional Separation Factor						
Base (Retail Amounts)						
Clause (Retail Amounts)						
Total (Retail Amounts)						

Table C: TECO's Proposed Amounts of Annual Accrual and Reserve for Dismantlement

	2022 Projected Test Year	
	Annual Accrual	Reserve
	(\$)	(\$)
Total System		
Jurisdictional Adjusted		

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- A.** Please see attached MS Excel file entitled (BS 12) Dismantlement Tables.xlsx
The proposed accruals and reserve balances have always been treated as Base only.

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INTERROGATORY NO. 148
BATES PAGES: 13-14
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- 148.** Please refer to witness Collins' Direct Testimony, page 19, Lines 23, through page 20, Line 6, where the witness discussed TECO's proposed 600 MW Solar Generation project. Please provide the following information, in a MS Excel format table, for each depreciation and amortization account/ sub-account that is affected by the project:
- a. Account number and description;
 - b. Depreciation rate of the account (please identify if the rate is a proposed one);
 - c. Monthly plant balance and the 13-month average for 2021;
 - d. Monthly reserve balance and the 13-month average for 2021;
 - e. Monthly plant balance and the 13-month average for 2022;
 - f. Monthly reserve balance and the 13-month average for 2022.
- A.**
- a. Please see MS Excel file entitled (BS 14) Wave 2 solar 2021-2022 Depreciation and amortization Table.xlsx".
 - b. Please see Tampa Electric's response to Staff's Seventh Set of Interrogatories, No. 148(a), above.
 - c. Please see Tampa Electric's response to Staff's Seventh Set of Interrogatories, No. 148(a), above.
 - d. Please see Tampa Electric's response to Staff's Seventh Set of Interrogatories, No. 148(a), above.
 - e. Please see Tampa Electric's response to Staff's Seventh Set of Interrogatories, No. 148(a), above.
 - f. Please see Tampa Electric's response to Staff's Seventh Set of Interrogatories, No. 148(a), above.