

COMMISSIONERS:  
RONALD A. BRISÉ, CHAIRMAN  
LISA POLAK EDGAR  
ART GRAHAM  
EDUARDO E. BALBIS  
JULIE I. BROWN

STATE OF FLORIDA



GENERAL COUNSEL  
S. CURTIS KISER  
(850) 413-6199

Public Service Commission

February 20, 2013

RECEIVED-FPSC  
13 FEB 21 AM 8:59  
COMMISSION  
CLERK

Ausley & McMullen  
James D. Beasley/J. Jeffrey Wahlen  
Post Office Box 391  
Tallahassee, FL 32302

STAFF'S THIRD  
DATA REQUEST

RE: Docket No. 130024-EI – Petition for expedited approval of asset optimization incentive mechanism, by Tampa Electric Company.

Dear Messrs. Beasley and Wahlen:

By this letter, the Commission staff requests that Tampa Electric Company (TECO) provide responses to the following data requests.

1. Please refer to TECO's response to staff's first data request, item number 4. Are there any capacity charges or amounts associated with short-term wholesale sales reported on the A6 Schedule? If yes, please explain these charges or amounts and how they are reported. In addition, please provide an actual example of capacity charges or amounts associated with a short-term wholesale sale reported on the A6 Schedule.
2. Please refer to TECO's response to staff's first data request, item number 5.
  - a. Why does TECO propose reporting short-term wholesale purchases on the A7 Schedule?
  - b. Will this proposed method result in duplicate entries in the A7 and A12 Schedules? Please explain.
  - c. Would TECO's economic dispatch model include the cost and capacity of short-term purchase power contracts? Please explain.
  - d. Under TECO's proposal, how would TECO recover the capacity costs associated with a short-term wholesale purchase?

DOCUMENT NUMBER - DATE  
00939 FEB 21 2013  
FPSC-COMMISSION CLERK

3. Please refer to TECO's response to staff's first data request, item number 7.
  - a. Does TECO's economic dispatch model currently (or will) include the cost and capacity payments of these long-term purchase contracts? Please explain.
  - b. Under TECO's proposal, how would TECO recover the capacity costs associated with a long-term purchased power contract when making a wholesale sale based on temporarily not needing the contracted capacity?
  - c. Regarding questions (c) above, will TECO make an adjustment to the capacity cost recovery schedules or to the proposed "Total Gains" schedule when making a short-term wholesale sale based on a long-term wholesale purchased power contract? Please explain the proposed cost recognition, assignment, and reporting.
  
4. Has TECO made a short-term wholesale sale based on a long-term purchased power contract? If yes, please explain the cost recognition and reporting.
  - a. Based on this response, can TECO resell power this way? Please explain how this technically works in terms of how the supplier/generator, i.e., Calpine, sends the power to the ultimate customer as directed by TECO.
  
5. Please refer to TECO's response to staff's first data request, item number 8 and to the last bullet point on Sale of Solid Fuel Commodity and Transportation.
  - a. Can TECO resell solid fuel transportation capacity that is has contracted for? Please explain.
  - b. If so, please provide several examples of transactions regarding this bullet point.
  - c. Has TECO carried out an actual transaction similar to what is contemplated under this bullet point? If yes, please provide a complete description of this transaction.
  
6. Please refer to TECO's response to staff's first data request, item number 11.
  - a. Please describe in detail TECO's "unplanned outage methodology."
  - b. How, specifically, does TECO's production cost model change or respond when an unplanned outage at a base load unit occurs?
  - c. What audit records exist that are associated with TECO's production cost model?
  
7. Please refer to TECO's response to staff's first data request, item number 26 and attachments. Also refer to TECO's response to staff's first data request, item number 8.
  - a. For the functions in the asset optimization column in the attachment to item number 26, does TECO intend to present the savings or gains calculation detail in the manner described in item number 8? Please explain.
  - b. If no to the above question, how does TECO propose that staff and parties verify the asset optimization gains and savings if the Commission approves this incentive mechanism?

8. Please refer to TECO's response to staff's first data request, item number 26, and also to the July, 2012 A-Schedule filing. For illustrative purposes, please populate Tables 1 - 3 of the Total Gains Schedule using data supporting TECO's July, 2012 A-Schedule. Where appropriate, please list the A-Schedule reference (by page, column, or line) on the Total Gains Schedule.
9. Please refer to TECO's response to staff's first data request, item number 32. For 2009, please reconcile the \$3,533,488 Gains on Economy Sales (A6) with the A Schedules filed with the Commission. Include in your response the A-Schedule reference (by page, column, or line).
10. Please refer to TECO's response to staff's first data request, item number 32. For 2010, please reconcile the \$2,948,964 Gains on Economy Sales (A6) with the A Schedules filed with the Commission. Include in your response the A-Schedule reference (by page, column, or line).
11. Please refer to TECO's response to staff's first data request, item number 34. For 2011 and 2012, please explain the gains in solid fuel purchasing, transportation, and storage. Show the calculation of the gains.
12. Please refer to TECO's response to staff's first data request, item number 54.
  - a. Is it TECO's intent, if the Commission approves this incentive mechanism, to establish upper limits in dollars for risks associated with transactions that are part of the incentive mechanism? Please explain.
  - b. Is it TECO's intent, if the Commission approves this incentive mechanism, to include the functions in paragraphs 8(a)(i) and (ii) in the risk management plan that is filed annually in the fuel docket?

Please file the original and five copies of the requested information by February 28, 2013, with Ms. Ann Cole, Commission Clerk, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850. Please feel free to call me at (850) 413-6212 if you have any questions.

Sincerely,



Martha F. Barrera  
Senior Attorney

MFB/nah

cc: Office of Commission Clerk  
J.R. Kelly/P. Christensen, Office of Public Counsel  
Paula K. Brown, Tampa Electric Company