

# AUSLEY & McMULLEN

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May 17, 2013

HAND DELIVERED

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13 MAY 17 PM 3:56  
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: Petition for Rate Increase by Tampa Electric Company  
FPSC Docket No. 130040-EI

Dear Ms. Cole:

Enclosed for filing in the above docket on behalf of Tampa Electric Company are the original and twenty (20) copies of each of the following, all marked "Revised May 17, 2013":

MFR Schedules C-16, C-21, C-30, C-35 and D-1a.

Pages 2, 5 and 35 of witness Brad J. Register's direct testimony.

Documents 2 and 3 of witness Mark J. Hornick's Exhibit MJH-1.

Set forth below is an explanation of the MFR revisions:

C-16 – Tampa Electric discovered that the information provided for engineering services, consultants and legal in 2012, 2013 and 2014 contained capital as well as O&M costs including cost recovery clause related O&M. The revised MFR correctly reflects only the O&M (excluding clause) components of those consultants.

C-21- The original MFR C-21 was prepared with budget revenue data that had not been finalized. The gross receipts taxes were adjusted to reflect the correct taxes reflected in total revenues.

C-30 – MFR C-30 was inadvertently prepared using 2012 actual historical prior year data instead of 2014 test year data.

COM	5
AFD	1
APA	1
ECO	10
ENG	1
GCL	1
IDM	
TEL	
CLK	1

DOCUMENT NUMBER-DATE

02744 MAY 17 2013

FPSC-COMMISSION CLERK

C-35 – For 2012, the original MFR C-35 was prepared using W-2 based compensation or the cash payments made to employees. The revised MFR C-35 represents the GAAP compensation as recorded on the company's books for the year. Additionally, for 2010 and 2014, an inadvertent error was corrected that reduced total payroll by approximately \$40,000 and \$1,900,000 respectively.

D-1a - Tampa Electric discovered that MFR D-1a for historical prior year-ended December 31, 2012 did not reflect \$380,000 unamortized deferred interest expense for long-term debt. The 2013 budget and 2014 test years were unaffected.

Set forth below is an explanation of the testimony and exhibit revisions:

Page 2, 5 and 35 of Mr. Register's testimony are being revised as a result of the revision to MFR C-35, which resulted in a change to total payroll and fringe for the 2014 test year from \$297,279,135 to \$295,381,075. As a result of the change several pages in Brad's testimony had to be revised.

Several minor changes were needed in Mr. Hornick's Exhibit MJH-1 to correct discrepancies between Document 2 (schedule of Energy Supply projects over \$3 million) and Document 3 (schedule of Energy Supply capital 2007-2014) versus the actual values that were used as the basis for the MFRs and rate filing. The discrepancies were used by data queries used to access data in the legacy accounting system (pre-2012) and the current system. The values now shown in Documents 2 and 3 accurately reflect capital project totals and are consistent with amounts included in the MFRs.

We would appreciate your distributing the above revised MFR, testimony and exhibit pages to the recipients of our initial April 5, 2013 filing so that they may substitute them in place of the original pages.

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,

  
Ashley M. Daniels

AMD/pp  
Enclosures

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

DOCUMENT NUMBER - DATE

02744 MAY 17 2013

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FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the following information regarding the use of outside professional services during the test year. Segregate the services by types such as accounting, financial, engineering, legal or other. If a projected test period is used, provide on both a projected and a historical basis for services exceeding the greater of \$1,000,000 or .5% (.005) of operation and maintenance expenses.

Type of data shown:

XX Projected Test Year Ended 12/31/2014

XX Projected Prior Year Ended 12/31/2013

XX Historical Prior Year Ended 12/31/2012

Witness: J. S. Chronister

COMPANY: TAMPA ELECTRIC COMPANY

DOCKET No. 130040-EI

(Dollars in 000's)

Line No.	(1) Type of Service or Vendor	(2) Description of Service(s)	(3) Account(s) Charged	(4) 2014 Costs	(5) 2013 Costs	(6) 2012 Costs
1						
2						
3	Accounting					
4	None over the threshold					
5						
6						
7						
8						
9	Financial					
10	None over the threshold					
11						
12						
13						
14						
15						
16	Engineering					
17	None over the threshold					
18						
19						
20	Legal	Various TEC Legal Matters	Various O&M	\$ 4,116	\$ 3,942	\$ 1,861
21						
22						
23						
24	Other (specify)					
25						
26	Consultants	Energy Supply, Energy Delivery & Corporate Projects	Various O&M	1,883	1,693	1,517
27						
28	Security	Security for Plants & Property*	Various O&M	<u>4,900</u>	<u>4,950</u>	<u>4,489</u>
29						
30						
31						
32						
33						
34	Total Outside Professional Services			<u>\$ 10,899</u>	<u>\$ 10,585</u>	<u>\$ 7,867</u>
35						

\*These physical security expenses include the security expenses per MFR C43 plus other physical security expenses.

39 Totals may be affected due to rounding.

Supporting Schedules:

Recap Schedules: C-12

44

REVISED: MAY 17, 2013

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a calculation of the Gross Receipt Tax and Regulatory Assessment Fee for the historical base year, historical base year + 1, and the test year.

Type of data shown:

XX Projected Test Year Ended 12/31/2014

XX Projected Prior Year Ended 12/31/2013

XX Historical Prior Year Ended 12/31/2012

COMPANY: TAMPA ELECTRIC COMPANY

Witness: J. S. Chronister

DOCKET No. 1: 130040-EI

(Dollars in 000's)

Line No.		(1)	(2)	(3)	(4)	(5)	(6)
		GROSS RECEIPTS TAX			REGULATORY ASSESSMENT FEE		
		HISTORICAL BASE YEAR 2012	HISTORICAL BASE YEAR + 1 2013	TEST YEAR 2014	HISTORICAL BASE YEAR 2012	HISTORICAL BASE YEAR + 1 2013	TEST YEAR 2014
1							
2	TOTAL OPERATING REVENUES	\$ 1,981,387	\$ 1,959,418	\$ 1,973,505	\$ 1,981,387	\$ 1,959,418	\$ 1,973,505
3							
4	LESS ACCRUED UNBILLED REVENUE	(1,522)	(3,300)	(215)	-	-	-
5							
6	BILLED REVENUE	\$ 1,982,909	\$ 1,962,718	\$ 1,973,720	\$ 1,981,387	\$ 1,959,418	\$ 1,973,505
7							
8	SALES FOR RESALE	\$ 16,291	\$ 7,646	\$ -	\$ 16,291	\$ 7,646	\$ -
9							
10	SO2 ALLOWANCES (WHOLESALE)	-	-	-	-	-	-
11							
12	SO2 ALLOWANCES (RETAIL)	1	-	-	-	-	-
13							
14	DEFERRED REVENUE	(25,120)	46,952	(19,806)	-	-	-
15							
16	OTHER ELECTRIC REVENUE	25,777	26,733	19,891	-	-	-
17							
18	MISCELLANEOUS SERVICE REVENUE	21,536	21,356	21,595	-	-	-
19							
20	RENT FROM ELECTRIC PROPERTY	10,403	10,611	10,240	-	-	-
21							
22	OTHER ELECTRIC REVENUE - GREEN POWER	210	-	-	-	-	-
23							
24	OTHER ADJUSTMENTS (1)	65,091 (1)	66,420 (1)	59,960 (1)	(28,393) (2)	8,716 (3)	1,389 (3)
25							
26	TOTAL ADJUSTMENTS	\$ 114,189	\$ 179,718	\$ 91,880	\$ (12,102)	\$ 16,362	\$ 1,389
27							
28	ADJUSTED OPERATING REVENUES	\$ 1,868,720	\$ 1,783,000	\$ 1,881,840	\$ 1,993,489	\$ 1,943,056	\$ 1,972,116
29							
30	TAX RATE	2.5%	2.5%	2.5%	0.0720%	0.0720%	0.0720%
31							
32	TAX AMOUNT	\$ 46,718	\$ 44,575	\$ 47,046	\$ 1,436	\$ 1,399	\$ 1,420
33							

(1) Outdoor & street lights rental, energy management and uncollectible accounts.

(2) Credit for energy management on electric bills recorded in conservation expense, (\$26,338); Basis for expense accrual different than payment base, (\$2,055).

(3) Base for R.A. Fee budget different from final budget.

39 Totals may be affected due to rounding

Supporting Schedules: C-5

Recap Schedules: C-20

51

REVISED: MAY 17, 2013

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide a schedule detailing transactions with affiliated companies and related parties for the test year including intercompany charges, licenses, contracts and fees.

Type of data shown:

COMPANY: TAMPA ELECTRIC COMPANY

XX Projected Test Year Ended 12/31/2014  
 Projected Prior Year Ended 12/31/2013  
 Historical Prior Year Ended 12/31/2012  
 Witness: J. S. Chronister

DOCKET No. 130040-EI

(Dollars in 000's)

Line No.	(1) Name of Company or Related Party	(2) Relation to Utility	(3) Type of Service Provided or Received	(4) Effective Contract Date	(5) Charge or Credit During Year		(7) Amount Included in Test Year	(8) Allocation Method Used to Allocate Charges Between Companies
					Amount	Acct. No.		
1								
2	TECO Energy, Inc.	Parent Company	See Note 1	1/1/2012	\$ 28,196	234	\$ 28,196	Direct Cost and Lower of Equity Method or Modified Massachusetts Method
3								
4								
5								
6	TECO Energy, Inc.	Parent Company	See Note 2	1/1/2012	2,290	146	2,290	Direct Cost
7								
8								
9								
10								
11								
12	Peoples Gas System	Affiliate Company	See Note 3	1/1/2012	673	234	\$ 673	Direct Cost
13								
14	Peoples Gas System	Affiliate Company	See Note 2	1/1/2012	8,405	146	8,405	Direct Cost
15								
16								
17	TECO Partners	Affiliate Company	See Note 2	1/1/2012	350	146	\$ 350	Direct Cost
18								
19	TECO Properties	Affiliate Company	See Note 2	1/1/2012	7	146	\$ 7	Direct Cost
20								
21	Seacoast	Affiliate Company	See Note 2	1/1/2012	3	146	\$ 3	Direct Cost
22								
23	TECO Energy Source	Affiliate Company	See Note 2	1/1/2012	7	146	\$ 7	Direct Cost
24								
25	TECO Gemstone	Affiliate Company	See Note 2	1/1/2012	22	146	\$ 22	Direct Cost
26								
27								
28	Note 1 Services received from TECO Energy include Management Services, Legal & Governmental Affairs, State & Community Relations, Finance, Business Strategy & Compliance, Human Resources & Benefits							
29	and General Corporate Responsibility. These charges from TECO Energy are booked as debits to O&M accounts 920, 921, 923, 926 and 930.							
30								
31	Note 2 Services provided by Tampa Electric include Corporate Communications, Community Relations, Environmental, Accounting, Regulatory Services, Corporate Services, Technology & Communications, Customer Service, Energy Supply,							
32	Business Planning, and Energy Management Services. These services provided to the Affiliates are booked as debits to Working Capital Receivables in account 146.							
33								
34	Note 3 Services received from Peoples Gas include Community Relations, Human Resources, Business Planning, Fuels, Workforce Management, and Customer Service.							
35								
36								
37								
38								
39								

65

REVISED: MAY 17, 2013

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the following Payroll and Fringe Benefits data for the historical test year and two prior years. If a projected test year is used, provide the same data for the projected test year and for prior years to include two historical years.

Type of data shown:

XX Projected Test Year Ended 12/31/2014  
 XX Projected Prior Year Ended 12/31/2013  
 XX Historical Prior Year Ended 12/31/2012

COMPANY: TAMPA ELECTRIC COMPANY

Witness: J. S. Chronister/B. Register/  
 L. L. Cifuentes

DOCKET No. 130040-EI

(Dollars in 000's)

Line No.	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
		2014 Amount	2014 % Increase	2014 % CPI	2013 Amount	2013 % Increase	2013 % CPI	2012 Amount	2012 % Increase	2012 % CPI	2011 Amount	2011 % Increase	2011 % CPI	2010 Amount
1	Total Company Basis													
2														
3	Gross Payroll (A)	\$ 214,139	7.99	2.7	\$ 198,304	2.00	2.0	\$ 194,408	5.45	2.2	\$ 184,352	(5.13)	3.2	\$ 194,322
4	Gross Average Salary*	\$ 87,226	6.18		\$ 82,147	(1.08)		\$ 83,045	3.74		\$ 80,049	(4.76)		\$ 84,049
5														
6	Fringe Benefits													
7														
8	Medical & Dental Insurance	20,072	7.68		18,640	(6.80)		20,000	10.87		18,039	10.38		16,342
9	Federal Insurance Contributions Act	15,303	8.92		14,050	1.28		13,872	5.21		13,185	(4.86)		13,859
10	Postretirement Medical	9,413	(1.98)		9,603	(14.06)		11,174	(8.25)		12,179	(0.90)		12,289
11	Pension Plan	14,495	(22.93)		18,808	22.28		15,381	41.43		10,875	(31.07)		15,778
12	Long Term Disability	4,796	15.73		4,144	20.99		3,425	46.24		2,342	(52.48)		4,928
13	Retirement Savings Plan	5,573	5.27		5,294	0.38		5,274	3.57		5,092	(33.99)		7,714
14	Worker's Compensation Insurance	3,200	5.30		3,039	30.54		2,328	(46.63)		4,362	260.79		1,209
15	Stock Compensation	5,084	3.00		4,936	34.17		3,679	22.39		3,006	11.21		2,703
16	Other Benefits	1,245	12.36		1,108	0.82		1,099	(3.00)		1,133	3.94		1,090
17	Vacation Carryover	741	2.92		720	(15.49)		852	4.67		814	27.99		636
18	Group Life Insurance	489	2.95		475	1.93		466	(38.52)		758	(4.05)		790
19	Federal & State Unemployment Taxes	831	1.71		817	(16.63)		980	29.46		757	100.26		378
20														
21	Subtotal Fringe Benefits	\$ 81,242	(0.48)		\$ 81,634	3.95		\$ 78,530	8.25		\$ 72,542	(6.66)		\$ 77,716
22														
23	Total Payroll and Fringes	\$ 295,381	5.52		\$ 279,938	2.56		\$ 272,938	6.25		\$ 256,894	(5.57)		\$ 272,038
24														
25	Average # of Employees*	2,455	1.70		2,414	3.12		2,341	1.65		2,303	(0.39)		2,312
26														
27	Payroll and Fringes Per Employee*	\$ 120,318	3.75		\$ 115,964	(0.54)		\$ 116,590	4.52		\$ 111,548	(5.20)		\$ 117,663
28														
29														
30														
31														
32														
33														
34														
35														
36														
37	(A) Gross Payroll includes all wages and salaries, overtime, premium, and Performance Sharing Program pay.													
38	* Figures not shown in 000's													
39	Totals may be affected due to rounding.													

100

REVISED: MAY 17, 2013

FLORIDA PUBLIC SERVICE COMMISSION

EXPLANATION: Provide the company's 13-month average cost of capital for the test year, the prior year, and historical base year.

Type of data shown:

COMPANY: TAMPA ELECTRIC COMPANY

Projected Test Year Ended 12/31/2014

Projected Prior Year Ended 12/31/2013

XX Historical Prior Year Ended 12/31/2012

Witness: S.W. Callahan/J. S. Chronister

DOCKET No. 130040-EI

Line No.	Class of Capital	(1) Company Total Per Books	(2) Common Dividends / Other	(3) DIT Specific / STD	(4) Pro Rata Adjustments	(5) System Adjusted	(6) Jurisdictional Factor	(7) Jurisdictional Capital Structure	(8) Ratio	(9) Cost Rate	(10) Weighted Cost Rate
1											
2	Long Term Debt	\$ 1,705,767	\$ -	\$ (3)	\$ (204,765)	\$ 1,500,999	0.960008	\$ 1,440,971	37.98%	6.18%	2.35%
3											
4	Short Term Debt	16,923	-	(10,479)	(774)	5,670	0.960008	5,443	0.14%	0.65%	0.00%
5											
6	Customer Deposits	122,312	-	-	(12,833)	109,479	0.960008	105,100	2.77%	4.56%	0.13%
7											
8	Preferred Stock	-	-	-	-	-	0.960008	-	0.00%	-	0.00%
9											
10	Common Equity	1,906,970	5,510	(3)	(229,580)	1,682,897	0.960008	1,615,594	42.58%	11.25%	4.79%
11											
12	Deferred Income Taxes	725,690	-	(6,008)	(75,511)	644,171	0.960008	618,409	16.30%	-	0.00%
13											
14	Tax Credits - Zero Cost	-	-	-	-	-	0.960008	-	0.00%	-	0.00%
15											
16	Tax Credits - Weighted Cost	9,869	-1	-	(1,035)	8,832	0.960008	8,479	0.22%	8.84%	0.02%
17											
18		<u>\$ 4,487,531</u>	<u>\$ 5,509</u>	<u>\$ (16,493)</u>	<u>\$ (524,498)</u>	<u>\$ 3,952,048</u>		<u>\$ 3,793,996</u>	<u>100.00%</u>		<u>7.29%</u>
19											
20											
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41 Totals may be affected due to rounding.

Supporting Schedules:

Recap Schedules: A-1

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REVISED: MAY 17, 2013

1 labor relations matters. In 2009, I became Director -  
2 Compensation and Benefits, responsible for all benefit  
3 programs including compensation, defined benefit pension,  
4 retirement savings (401k), healthcare, training and  
5 development. In 2010, I assumed responsibility for the  
6 payroll function as well. In 2012, the training and  
7 development function was transferred to the company's  
8 Employee Relations group.

9  
10 I am a registered professional engineer in the State of  
11 Florida. I also hold a Senior Professional in Human  
12 Resources certification from the Society for Human  
13 Resource Management.

14  
15 **INTRODUCTION**

16 **Q.** What is the purpose of your direct testimony?  
17

18 **A.** The purpose of my direct testimony is to provide an  
19 overview of the gross payroll and benefits expense as  
20 shown in Minimum Filing Requirements ("MFR") Schedule C-  
21 35, and demonstrate the reasonableness of Tampa  
22 Electric's forecasted gross payroll and benefits expense  
23 of \$295,381,075 for 2014. My direct testimony also  
24 supports MFR Schedules C-8, C-17, C-41 and F-8.

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DOCUMENT NUMBER-DATE  
02744 MAY 17 2013  
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members.

- Competitive fixed and variable compensation programs.
- Competitive benefits package.
- Alignment of team member development with company and individual career goals.
- Integration of Human Resource policies and procedures which value team members.

This focused philosophy provides Tampa Electric with a workforce dedicated to controlling costs and driving key performance metrics throughout the organization.

**Q.** What is Tampa Electric's projected total compensation and benefits cost and projected team member count for 2014?

**A.** As outlined in MFR Schedule C-35, Tampa Electric's total compensation and benefits cost is projected to be \$295,381,075 for 2014. The average number of team members projected for 2014 is 2,455.

**Q.** What actions has Tampa Electric taken since its last base rate proceeding, filed in Docket No. 080317-EI, to control headcount?

**A.** Tampa Electric is committed to serving its customers by

1           be applied to the Associate in Applied Science Degree  
2           in Industrial Management.

- 3           • Partnerships with several local colleges and  
4           universities for classes at Tampa Electric's Skills  
5           Training Center to facilitate ease of attendance.

6  
7   **Q.**   Have Tampa Electric's efforts in dealing with an aging  
8           workforce been reviewed recently?

9  
10   **A.**   Yes.   In its June 2011 report entitled *Review of the*  
11           *Aging Workforce of the Florida Electric Industry*, the  
12           Commission's Office of Auditing and Performance Analysis,  
13           citing a number of Tampa Electric's initiatives in this  
14           area, concluded that the company has proactively taken  
15           steps to address the risks associated with the aging  
16           workforce.   The staff further determined that the  
17           company's succession planning efforts are also adequate.

18  
19   **SUMMARY**

20   **Q.**   Please summarize your direct testimony.

21  
22   **A.**   My direct testimony outlines the major aspects of Tampa  
23           Electric's compensation and benefits programs.   Tampa  
24           Electric's total compensation and benefit costs are  
25           projected to be \$295,381,075 in 2014 and are both

1 expenses, the company determined that numerous  
 2 components for the system required replacement or  
 3 refurbishment to ensure that the solid fuel handling  
 4 system would be viable for at least an additional 20  
 5 years. Thirty separate components of the system were  
 6 identified and the maintenance work has been ongoing  
 7 since 2011. The system must continue to operate to  
 8 support plant operation during this project which  
 9 requires prudent scheduling and sequence of project  
 10 activities. Units of property are being placed in-  
 11 service as the work is completed, and the total cost of  
 12 this project is expected to be \$62.2 million.

13  
 14 Completion of the Big Bend Flue Gas Desulfurization  
 15 ("FGD") reliability and gypsum storage program - This  
 16 program was necessary to ensure that the FGD system will  
 17 continue to operate in a reliable fashion and maintain  
 18 compliance with environmental regulations for the four  
 19 coal units at Big Bend Power Station. The FGD  
 20 reliability activities are expected to be completed in  
 21 2014 at a total cost of \$59.5 million. This program  
 22 also included the addition of a second gypsum storage  
 23 area that was needed to effectively manage the  
 24 production, quality and storage of high grade gypsum.  
 25 This gypsum is marketed and sold for beneficial reuse to

DOCUMENT NUMBER DATE

02744 MAY 17 2013

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**Energy Supply Capital \$3+ Million Projects (Thru 2014)**

Revised Summary based on PowerPlant (4-30-13)

\$ x 1,000

<i>FP Description</i>	<i>2009 Actuals</i>	<i>2010 Actuals</i>	<i>2011 Actuals</i>	<i>2012 Actuals</i>	<i>2013 Budget</i>	<i>2014 Budget</i>	<i>Total</i>
Bayside & Big Bend Aero's	83,282	611					83,893
BAYSIDE CSA's	23,141	20,993	13,516	13,837	15,664	17,316	104,467
BS2 GE COMPRESSOR, OPTION 3			7,949	1,285			9,234
BS2 Steam Turbine Generator Project			188	2,988			3,176
BAYSIDE 2 GSU REPLACEMENT			2,579	1,943			4,522
BSP FLUME REPLACEMENT	2,431	7,755	(32)				10,154
GENERATOR REWIND		2,550	9,228				11,778
UNIT 1A COMPRESSOR REPL		1,500	5,416				6,916
BB RECYCLE SETTLING POND	2,022	3,813	40				5,875
BB1 BO FURNACE FLOOR REPL W/REFRACTORY	4,955	714					5,669
BB1 BOILER 2ND PT RADIANT SUPHERHEATER REPL	2,764	1,174					3,938
BB1 Boiler Primary Reheater Rplc						6,000	6,000
BB1 CONTROL RM PROJECT	2,918	1,386	3				4,307
BB1 Duct Replacement						5,000	5,000
BB1 Generator Rewind/Rings						12,500	12,500
BB1 HP/IP/LP Turbine & Valves Rplc						6,000	6,000
BB1 Precip Upgrade						7,000	7,000
BB2 ARC FLASH REMEDIATION		292	2,701	91			3,084
BB2 2ND RADIANT SUPERHEATER REPL	1,519	1					1,520
BB2 COAL PIPE SYSTEM REPLACEMENT	1,338						1,338
BB2 CONTROLS REPLACEMENT	1,665	(12)					1,653
BB2 ECRC SCR 4th Catalyst Add'l					939	2,053	5,025
BB2 FURNACE FLOOR REFRACTORY REPL	701						701
BB2 GENERATOR REWIND WITH RETAINING RINGS	2,784	5,272	4,871	(62)			12,865
BB2 HP/IP STEAM TURBINE & VVS RESTORATION	3,431	(20)					3,411
BB2 L-O TURBINE BLADE REPL	3,340	(84)					3,256
BB3 Deaerator & Storage Vessel				384	2,820		3,204
BB3 Economizer Replacement				2,052	1,781		3,833
BB3 ECRC BB3 Precipitator Upgrade				2,474	5,914		8,388
BB3 Generator Rewind				4,204	6,292		10,496
BB3 High Temp Reheater Replacement				2,368	2,731		5,099
BB3 High Temp Superheater Rplc				2,734	2,249		4,983
BB3 HP/IP/LP Turbine & Valves				7	3,293		3,300
BB3 Stack Lining				731	2,742		3,473
BB4 #3 STACK LINER REPLACEMENT	254	3,210	1				3,465

43

TAMPA ELECTRIC COMPANY  
 DOCKET NO. 130040-EI  
 EXHIBIT NO. (MTH-1)  
 WITNESS: HORNICK  
 DOCUMENT NO. 2  
 PAGE 1 OF 2  
 FILED: 04/05/2013  
 REVISED: 05/17/2013

**Energy Supply Capital \$3+ Million Projects (Thru 2014)**

Revised Summary based on PowerPlant (4-30-13)

\$ x 1,000

<i>FP Description</i>	<i>2009 Actuals</i>	<i>2010 Actuals</i>	<i>2011 Actuals</i>	<i>2012 Actuals</i>	<i>2013 Budget</i>	<i>2014 Budget</i>	<i>Total</i>
BB4 BFP Turbine Overhaul						4,009	4,009
BB4 Coal Piping						4,009	4,009
BB4 CONDENSER BALL CLEANING SYSTEM	2,086	1,043					3,129
BB4 CONDENSER TUBE BUNDLE REPLACEMENT	5,120	1,234	6				6,360
BB4 Duct Repl.						7,516	7,516
BB4 Finishing Reheater Replacement						6,013	6,013
BB4 Hot Reheat Piping Replacement						3,006	3,006
BB4 HP/IP/LP Main Turbine & Vvs						6,013	6,013
BB4 PLATEN SUPERHEATER REPLACEMENT	1,299	1,074					2,373
BB4 Precipitator Overhaul				18		9,019	9,037
BBC 316b Study(ECRC)						3,006	3,006
BBC Arc Flash Electrical Upgrades				808	4,190		4,998
BBC Reverse Osmosis System Upgrades				611	26	3,661	4,298
Dismantling Gannon	1,381	3,851	2,721	5,320	2,500	5,000	20,773
ES-FGD-Reliability Initiative			6,661	7,694	12,092	33,012	59,459
BB FGD FINES FILTER SYSTEM			7,131	5,799	47		12,977
BB Gypsum Storage Addition			1,346	1,060	12,628	6,694	21,728
ES-Polk-CSA's	7,130	7,554	5,232	5,751	4,121	5,683	35,471
PK1 CT NG SECONDARY FUEL CONV				4,240	10,860		15,100
PK 1 ROTOR	4,469						4,469
PK1 Rotor Failure				8,298			8,298
PK2-5 MkVIe Controls Replacement			4,868	1,584			6,452
ES-Polk-Water Project	1,916	3,373	8,481	17,402	33,824	6,583	71,579
Pk Water - Phase II (Mlbrry & Polk)					1,222	1,916	3,138
ES-Solid Fuel Handling Initiative			10,907	33,255	14,593	3,489	62,244
BB RAIL UNLOADING	50,975	1,289	2				52,266
BB SCR's	44,853	11,057	81				55,991
<b>Total \$3 + Mill Projects</b>	<b>255,774</b>	<b>79,630</b>	<b>93,896</b>	<b>127,815</b>	<b>141,642</b>	<b>164,478</b>	<b>863,235</b>
	75.4%	53.0%	58.6%	72.8%	69.9%	67.4%	67.9%
<b>Total ES Capital (w/o Polk CC2)</b>	<b>337,087</b>	<b>148,880</b>	<b>159,262</b>	<b>175,722</b>	<b>202,530</b>	<b>243,870</b>	<b>1,267,351</b>
<b>PK2-5 Combined Cycle Addition</b>				<b>4,987</b>	<b>46,919</b>	<b>147,799</b>	<b>199,705</b>
<b>Total ES Capital (w/ Polk CC2)</b>	<b>337,087</b>	<b>148,880</b>	<b>159,262</b>	<b>180,709</b>	<b>249,449</b>	<b>391,669</b>	<b>1,467,056</b>

44

TAMPA ELECTRIC COMPANY  
 DOCKET NO. 130040-EI  
 EXHIBIT NO. (MTH-1)  
 WITNESS: HORNICK  
 DOCUMENT NO. 2  
 PAGE 2 OF 2  
 FILED: 04/05/2013  
 REVISED: 05/17/2013

Energy Supply  
2007-2014 Capital Expenditures  
Excluding AFUDC (\$ x 1,000)

	2007 Actual	2008 Actual	2009 Actual	2010 Actual	2011 Actual	2012 Actual	2013 Budget	2014 Budget
Big Bend	\$95,424	84,127	\$96,035	\$72,537	\$52,154	\$46,075	\$81,108	\$144,425
Bayside	4,832	8,284	9,112	23,189	39,232	16,978	5,581	13,316
Polk	3,905	8,287	16,950	6,842	12,850	20,279	7,970	12,487
CSA (Bayside & Polk) <sup>(1)</sup>	28,371	26,593	31,728	28,543	18,740	19,588	19,785	18,843
All Other	1,992	2,546	2,236	1,439	1,677	3,352	2,820	3,105
<b>Total Recurring Capital</b>	<b>\$134,524</b>	<b>\$129,837</b>	<b>\$156,061</b>	<b>\$132,550</b>	<b>\$124,653</b>	<b>\$106,272</b>	<b>\$117,264</b>	<b>\$192,176</b>
Gulfstream Pipeline	\$20,427	(\$5,534)						
Big Bend SCR Additions <sup>(2)</sup>	80,250	65,480	\$44,853	\$11,057	\$81			
Polk Units 4&5 Expansion	9,192							
Aero CT Expansion (BB 4, BS 3,4,5,6) <sup>(3)</sup>	3,050	108,490	83,282	611				
Big Bend Rail Unloading Addition <sup>(4)</sup>		7,128	50,975	1,289	2			
Polk Reclaimed Water Project			1,916	3,373	8,481	\$17,402	\$35,046	\$8,499
Big Bend FGD Reliability					6,661	7,694	12,092	33,012
Big Bend Gypsum Storage Addition					1,346	1,060	12,628	6,694
Big Bend Gypsum Quality Improvement					7,131	5,799	47	
Big Bend Solid Fuel Handling Reliability					10,907	33,255	14,593	3,489
Polk Auxiliary Fuel Conversion Project						4,240	10,860	
Polk 2 Combined Cycle Project <sup>(5)</sup>						4,987	46,919	147,799
<b>Total Non-Recurring Capital</b>	<b>\$112,919</b>	<b>\$175,564</b>	<b>\$181,026</b>	<b>\$16,330</b>	<b>\$34,609</b>	<b>\$74,437</b>	<b>\$132,185</b>	<b>\$199,493</b>
<b>Total Capital</b>	<b>\$247,443</b>	<b>\$305,401</b>	<b>\$337,087</b>	<b>\$148,880</b>	<b>\$159,262</b>	<b>\$180,709</b>	<b>\$249,449</b>	<b>\$391,669</b>

<sup>(1)</sup> the CSA agreements covering Bayside Units 1 & 2 were renegotiated effective for 2011

<sup>(1)</sup> the CSA agreements covering Polk Units 2, 3, 4 & 5 were renegotiated effective for 2012

<sup>(2)</sup> Big Bend SCRs were put in-service as follows: Unit 4 May 2007; Unit 3 July 2008; Unit 2 September 2009; Unit 1 April 2010

<sup>(3)</sup> Aero units were put in-service in 2009: Bayside 5&6 April 2009; Bayside 3&4 July 2009; Big Bend 4 August 2009

<sup>(4)</sup> Big Bend Rail Unloading Facility was put in-service in December 2009

<sup>(5)</sup> Polk 2 Combined Cycle Project was approved by the Commission on December 12, 2012 as part of a need determination hearing and is not included in the revenue requirement calculation for this base rate proceeding