

# AUSLEY & McMULLEN

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June 4, 2014

HAND DELIVERED

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COMMISSION  
CLERK

Ms. Carlotta S. Stauffer  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Re: Fuel and Purchased Power Cost Recovery Clause with Generating  
Performance Incentive Factor; FPSC Docket No. 140001-EI

Dear Ms. Stauffer:

On March 3, 2014 we filed on behalf of Tampa Electric Company the Prepared Direct Testimony and Exhibit (PAR-1) of Tampa Electric witness Penelope A. Rusk, addressing final true-up data for 2013. We enclose for filing fifteen (15) copies of each of the following:

1. The cover page and Document No. 6 to Ms. Rusk's Exhibit (PAR-1), marked "Supplemental: June 4, 2014", (Bates stamp pages 41 and 42).
2. A corrected page 3 to Ms. Rusk's Prepared Direct Testimony marked "Revised: 6/04/14."

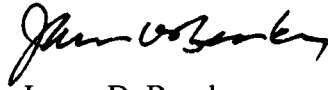
The new Document No. 6, entitled "Tampa Electric Polk Unit 1 Ignition Oil Conversion Schedule of Depreciation and Return Actual for the Period January 2013 through December 2013" is submitted as supplemental information to further clarify the fuel savings Tampa Electric achieved in 2013 from the Polk Fuel Cost Reduction Project approved by the Commission in Docket No. 120153-EI. The revised page 3 of Ms. Rusk's testimony simply corrects the reference to the number of documents from five to six on line 8 of that page 3. We would appreciate your distributing copies of these documents to the recipients of the earlier filing.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning same to this writer.

COM	
AFD	7
APA	1
ECO	1
ENG	3
GCL	1
IDM	2
TEL	
CLK	

Thank you for your assistance in connection with this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "James D. Beasley". The signature is fluid and cursive, with the first name "James" being the most prominent part.

James D. Beasley

JDB/pp  
Enclosures

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

**EXHIBIT TO THE TESTIMONY OF  
PENELOPE A. RUSK**

**DOCUMENT NO. 6**

**POLK UNIT 1 IGNITION OIL CONVERSION**

**JANUARY 2013 - DECEMBER 2013**

TAMPA ELECTRIC  
POLK UNIT 1 IGNITION OIL CONVERSION  
SCHEDULE OF DEPRECIATION AND RETURN  
ACTUAL FOR THE PERIOD JANUARY 2013 THROUGH DECEMBER 2013

	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
1 BEGINNING BALANCE						\$ -	\$ 15,446,654	\$ 16,032,169	\$ 15,987,932	\$ 16,141,194	\$ 16,199,064	\$ 16,254,931	\$ -
2 ADD INVESTMENT						15,446,654	585,516	(44,238)	153,262	57,871	55,887	(132,411)	16,122,520
3 LESS RETIREMENTS						-	-	-	-	-	-	-	-
4 ENDING BALANCE						15,446,654	16,032,169	15,987,932	16,141,194	16,199,064	16,254,931	16,122,520	16,122,520
5													
6													
7 AVERAGE BALANCE						-	15,739,412	16,010,051	16,064,563	16,170,129	16,226,998	16,188,726	
8 DEPRECIATION RATE						1.666667%	1.666667%	1.666667%	1.666667%	1.666667%	1.666667%	1.666667%	
9 DEPRECIATION EXPENSE						-	262,324	268,834	267,743	269,502	270,450	269,812	1,606,665
10 LESS RETIREMENTS						-	-	-	-	-	-	-	-
11 BEGINNING BALANCE						-	-	262,324	529,158	796,900	1,066,403	1,336,853	-
12 DEPRECIATION						-	-	-	-	-	-	-	-
13 ENDING BALANCE						-	-	262,324	529,158	796,900	1,066,403	1,336,853	1,606,665
14 DEPRECIATION						-	-	-	-	-	-	-	-
15 ENDING NET INVESTMENT						15,446,654	15,769,846	15,458,774	15,344,293	15,132,662	14,918,079	14,515,856	14,515,856
16													
17													
18 AVERAGE INVESTMENT						7,723,327	15,808,250	15,614,310	15,401,534	15,238,478	15,025,370	14,716,967	
19 ALLOWED EQUITY RETURN						40281%	40183%	40183%	40183%	40183%	40183%	40183%	
20 EQUITY COMPONENT AFTER-TAX						31,110	62,718	62,742	61,887	61,232	60,376	59,136	399,201
21 CONVERSION TO PRE-TAX						1,62800	1,62800	1,62800	1,62800	1,62800	1,62800	1,62800	
22 EQUITY COMPONENT PRE-TAX						50,847	102,105	102,144	100,752	99,686	98,292	96,273	649,899
23													
24 ALLOWED DEBT RETURN						22985%	18568%	18568%	18568%	18568%	18568%	18568%	
25 DEBT COMPONENT						17,752	28,981	28,992	28,597	28,294	27,898	27,326	187,640
26													
27 TOTAL RETURN REQUIREMENTS						68,399	131,086	131,136	129,349	127,980	126,190	123,599	837,739
28													
29 TOTAL DEPRECIATION & RETURN						68,399	393,410	397,970	397,092	397,482	396,640	393,411	2,444,403
30													
31 ESTIMATED FUEL SAVINGS						5,993,297	1,637,583	986,599	444,157	783,385	5,477,454	2,245,714	17,568,188
32 TOTAL DEPRECIATION & RETURN						68,399	393,410	397,970	397,092	397,482	396,640	393,411	2,444,404
33 NET BENEFIT (COST) TO RATEPAYER						5,924,898	1,244,174	588,629	47,065	385,902	5,080,814	1,852,303	15,123,784
34													

35 DEPRECIATION EXPENSE IS CALCULATED BASED UPON A FIVE YEAR PERIOD  
36 RETURN ON AVERAGE INVESTMENT IS CALCULATED USING AN ANNUAL RATE OF 10.08% (EQUITY 7.8501%, DEBT 2.2281%)  
RATES ARE BASED ON THE MAY 2013 SURVEILLANCE REPORT PER THE WACC STIPULATION & SETTLEMENT AGREEMENT (JULY 17, 2012)  
37 RETURN REQUIREMENT IS CALCULATED BASED UPON A COMBINED STATUTORY RATE OF 38.575%

42

DOCKET NO. 140001-EI  
FAC 2013 FINAL TRUE-UP  
EXHIBIT NO. \_\_\_\_\_ (PAR-1)  
DOCUMENT NO. 6  
PAGE 1 OF 1  
SUPPLEMENTAL: JUNE 4, 2014

1 in accordance with generally accepted accounting  
2 principles and practices and provisions of the Uniform  
3 System of Accounts as prescribed by the Florida Public  
4 Service Commission ("Commission").

5

6 **Q.** Have you prepared an exhibit in this proceeding?

7

8 **A.** Yes. Exhibit No. \_\_\_ (PAR-1), consisting of six documents  
9 which are described later in my testimony, was prepared  
10 under my direction and supervision.

11

12 **Capacity Cost Recovery Clause**

13 **Q.** What is the final true-up amount for the Capacity Clause  
14 for the period January 2013 through December 2013?

15

16 **A.** The final true-up amount for the Capacity Clause for the  
17 period January 2013 through December 2013 is an under-  
18 recovery of \$8,074.

19

20 **Q.** Please describe Document No. 1 of your exhibit.

21

22 **A.** Document No. 1, page 1 of 4, entitled "Tampa Electric  
23 Company Capacity Cost Recovery Clause Calculation of  
24 Final True-up Variances for the Period January 2013  
25 Through December 2013", provides the calculation for the