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DIVISION OF ECONOMICS  
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# Public Service Commission

October 8, 2015

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COMMISSION  
CLERK

Mr. James D. Beasley  
Ausley & McMullen Law Firm  
Post Office Box 391  
Tallahassee, FL 32302

**Re: Staff's First Data Request in Docket No. 150211-EI – Tampa Electric Company's  
Petition for Approval of Depreciation Rates for Solar Photovoltaic Generating Units**

Mr. Beasley:

Staff has completed its initial review of Tampa Electric Company's petition filed in the above referenced docket. Please find the enclosed questions arising from staff's initial review. Due to the expedited schedule of this docket, we ask that the responses to Staff's First Data Request be filed with the Commission on or before October 26, 2015.

Should you have any questions, or need further information, please do not hesitate to contact me at (850) 413-7005.

Sincerely,

A handwritten signature in cursive script, appearing to read "JW".

Jenny Wu  
Economic Analyst  
Division of Economics

Attachment

cc: Office of Commission Clerk  
Office of Public Counsel  
Tampa Electric Company/Paula Brown

**Staff's First Data Request**

1. Paragraph 3 of Tampa Electric Company (TECO)'s petition states that "Discussions with vendors of the equipment being utilized for the TIA installation and other such equipment generate an estimate of design life of 30 years."
  - a. Please identify each of the vendors referenced in the above statement.
  - b. Please provide any documentation from the discussed vendors that support the design life of 30 years.
2. Regarding TECO's photovoltaic (PV) generating systems which are referenced in the instant petition:
  - a. Please specify the major components (e.g. PV modules, PV support structure, energy output modules, etc.) of these PV generating systems.
  - b. Do the different components discussed in question 2a have the same design life? Please explain.
  - c. Do the different components discussed in question 2a have the same service life? Please explain.
  - d. Do the different components discussed in question 2a have the same warranty? Please explain.
3. In paragraph 4 of its petition, TECO indicates that it will own the PV support structure, PV system, and energy output under a 25-year lease from TIA for the space.
  - a. Please explain why TECO proposes to depreciate the solar facility over 30 years when the space on which the facility is located is subject to a 25-year lease.
  - b. Please explain what TECO plans to do with its PV generating units after the lease for the space ends.
  - c. Is it TECO's intent that the PV generating units be retired "early," assuming 30-year service life, and dismantled at the end of year 25?
  - d. Is it TECO's intent that the ownership of the PV generating units be transferred from TECO to TIA after year 25?
4. Regarding the "other solar photovoltaic projects" discussed in paragraph 4 of the petition:
  - a. Will those projects be provided by the same vendors who are now constructing the TIA PV generating units?

October 9, 2015

- b. Will those projects be constructed using the same PV panels, the same support structures, and the same auxiliary components as the TIA PV generating units?
  - c. Will those projects be constructed on the land owned by TECO, or on a leased land?
5. In paragraph 5 of the petition, TECO indicates that it will use the following subaccounts to book the plant addition and retirement activities.

Subaccount 303 Intangible Plant	Subaccount 341 Structures and Improvements
Subaccount 343 Other Generation Plant	Subaccount 345 Accessory Electric Plant

- a. For each of these subaccounts:
    - i. Please provide a description of the plant assets typically booked to the subaccount.
    - ii. Please identify the solar components or the associated equipment that will be booked, and indicate the respective life expectancy.
    - iii. Please identify the major components discussed in question 2a that will be booked in the subaccount.
  - b. Please provide the rationale for applying a single depreciation rate, 3.3 percent, given that the account activities of a certain subaccount, such as Subaccount 303, may be very different from the other subaccounts.
6. Will any other solar components be booked to different accounts or subaccounts other than the 4 subaccounts discussed in question 5?
- a. If so, please identify these components.
    - i. For each component, please identify the subaccount to which it will be booked and indicate its life expectancy.
7. Do any of the solar components of the TIA generating units come with a manufacturer's warranty?
- a. If yes, please identify all such components and the length of their warranties.
8. Do any of the solar components of the TIA generating units come with a warranty provided by the installer?
- a. If yes, please identify all such components and the length of their warranties.
  - b. Have the vendors identified by TECO in question 1 provided a warranty for the PV modules associated with the TIA project?

- i. If yes, please identify the length of the warranties.
  
9. In paragraph 5 of its petition, TECO refers to Docket No. 080543-EI, citing, in particular, the Commission's adoption of a 3.3% depreciation, 30 year life, zero net salvage value for Florida Power & Light's (FPL) two requested solar PV plant sites in Brevard and DeSoto counties. Does TECO propose a similar net salvage value of zero? If your response is affirmative:
  - a. Please explain the basis for TECO's assumption of zero net salvage value for all the solar facilities components.
  - b. Please cite and identify any estimates, studies, or sources that support a net salvage value of zero for salvaged PV components.
  - c. Please provide price, quantity, or volume estimates from those studies that TECO uses to support its assumption of zero net salvage value.
  
10. Please refer to paragraph 5 of TECO's petition. Why does TECO conclude that the TIA solar photovoltaic project currently under construction is comparable to the referenced FPL's solar photovoltaic generating units for purposes of determining depreciation life?
  
11. Please refer to paragraph 6 of TECO's petition.
  - a. When does TECO anticipate filing a site specific depreciation study for TIA?
  - b. What is the legal /regulatory requirement(s) for filing a site specific depreciation study for TIA and each new solar photovoltaic generating unit site upon each site being unitized?
  
12. Please refer to paragraph 4 of TECO's petition. When does TECO anticipate filing a site specific depreciation study for the 25 MW photovoltaic system to be sited near the Big Bend Station and Manatee Viewing Center, in the event TECO determines to move forward with the project?
  
13. Please refer to paragraph 4 of TECO's petition. Is the entire 2 MW<sub>DC</sub> photovoltaic system expected to be operational in late December 2015? If not, please explain.