

AUSLEY McMULLEN

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October 4, 2016

HAND DELIVERED

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

Re: Fuel and Purchased Power Cost Recovery Clause with Generating Performance
Incentive Factor; FPSC Docket No. 160001-EI

Dear Ms. Stauffer:


We submit on behalf of Tampa Electric Company one redacted version of Staff's Audit Work Papers pursuant to Audit Control No. 16-068-2-2. This filing is being accompanied by a Request for Confidential Classification and Motion for Temporary Protective Order being separately filed this date with your office.

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,

REDACTED


James D. Beasley

JDB/pp
Enclosure

cc: All parties of record (w/o enc.)

REDACTED

CONFIDENTIAL

Tampa Electric Company
Hedging Activities
08/01/2015 - 07/31/2016
Docket No. 160001-EI ACN 16-068-2-2
Subject: *filing 09/16 II*

DOCKET NO. 160001-EI
2015 HEDGING ACTIVITY TRUE-UP
EXHIBIT NO. _____ (JBC-1)
DOCUMENT NO. 1
PAGE 3 OF 6

Tampa Electric Company
Natural Gas Hedging Activities

January 1, 2015 through December 31, 2015

	Type of Hedge	Mark-to-Market Saving/(Loss)	Hedged Volume (MMBTU)	Consumption (MMBTU)	Percent Hedged	Budget Price	Hedge Price	Settle Price
Jan-15	Swaps	(\$2,576,655)		4,459,415				\$3.189
Feb-15	Swaps	(\$3,450,145)		4,073,535				\$2.866
Mar-15	Swaps	(\$3,338,845)		6,272,889				\$2.894
Apr-15	Swaps	(\$3,428,830)		5,842,268				\$2.590
May-15	Swaps	(\$4,357,580)		7,263,430				\$2.517
Jun-15	Swaps	(\$3,356,285)		8,097,636				\$2.815
Jul-15	Swaps	(\$3,627,895)		8,092,380				\$2.773
Aug-15	Swaps	(\$2,610,980)		8,045,798				\$2.886
Sep-15	Swaps	(\$3,571,100)		7,453,216				\$2.638
Oct-15	Swaps	(\$3,488,100)		6,996,753				\$2.563
Nov-15	Swaps	(\$3,288,730)		5,773,557				\$2.033
Dec-15	Swaps	(\$2,747,180)		4,259,752				\$2.206
Total		(\$39,842,325)		76,630,630				

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Consistent with Tampa Electric's non-speculative risk management plan objective, Tampa Electric's natural gas hedging plan provided price stability and certainty during 2015. For 2015, the calendar year net position for natural gas hedges was higher than the closing price of natural gas, resulting in a mark-to-market net loss of \$39.8 million. Natural gas prices dropped significantly in 2015 due to an abundance of natural gas production and nearly full storage at the end of the summer injection season.

Tampa Electric maintains natural gas storage capacity of 1,500,000 MMBtu in order to enhance its physical reliability of gas supply. The storage provides Tampa Electric with improved access to "intraday" natural gas when an operational need arises, provides improved hurricane coverage, and can be used to cost-effectively manage swings in gas supply needs during extreme weather conditions, weekends, holidays and unplanned power plant outages.

Tampa Electric also continues to improve its physical access to natural gas supply by diversifying its receipt points along the Gulf Coast and other areas when opportunities arise.

In summary, financial hedging activities for natural gas resulted in a net loss of approximately \$39.8 million in 2015; more importantly, Tampa Electric was

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TAMPA ELECTRIC COMPANY
DOCKET NO. 160001-EI
HEDGING ACTIVITY REPORT
EXHIBIT NO. JBC-3, PAGE 1 OF 1
FILED: AUGUST 18, 2016

44

Tampa Electric
Natural Gas Hedging Activities
January 1, 2016 through July 31, 2016

	Type of Hedge	Mark-to-Market Saving/(Loss)	Hedged Volume (MMBTU)	Consumption (MMBTU)	Percent Hedged	Budget Price	Hedge Price	Settle Price
Jan-16	Swaps	(\$2,074,970)	44.1	7,131,969				\$2.372
Feb-16	Swaps	(\$2,772,810)	44.7	6,630,822				\$2.189
Mar-16	Swaps	(\$3,492,690)	44.7	7,902,554				\$1.711
Apr-16	Swaps	(\$3,262,410)	44.8	8,891,882				\$1.903
May-16	Swaps	(\$3,127,515)	44.9	6,117,238				\$1.995
Jun-16	Swaps	(\$3,403,620)	44.1	7,126,182				\$1.963
Jul-16	Swaps	\$256,280	44.1	6,601,646				\$2.917
Total		(\$17,877,735)		50,402,293				

Tampa Electric Company
Hedging Activities
08/01/2015 - 07/31/2016
Docket No. 160001-EI ACN 16-068-2-2
Subject: *filing 09/15 IT*

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SOURCE

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TAMPA ELECTRIC CO.
SWAPS - DERIVATIVE NATURAL GAS INVOICES

Aug-15 Production Month <Sales>Purchase
7/29/2015 Nymex Settlement Date
Total Cash Flow Derivatives

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Name	ALLEGRO Invoice No.	Counterparty Invoice No.	Invoice Due Date	TAMPA ELECTRIC		PEOPLES GAS		TOTAL		
				Cntrt	Amount	Cntrt	Amount	Cntrt	Amount	
			08/05/15		\$393,800.00		(\$2,000.00)		\$391,800.00	agree
			08/05/15		\$332,700.00				\$332,700.00	agree
			08/05/15		\$417,850.00		\$59,150.00		\$477,000.00	agree
			08/05/15		\$554,200.00		\$113,900.00		\$668,100.00	agree
			08/05/15		\$286,520.00		\$44,080.00		\$330,600.00	agree
			08/05/15		\$228,800.00		\$114,400.00		\$343,200.00	agree
			08/05/15		\$397,110.00		\$1,140.00		\$398,250.00	agree
			TOTAL		\$2,610,980.00		\$330,670.00		\$2,941,650.00	
			ASSETS							Subtotal Receivables
			LIABILITIES		\$2,610,980.00		\$330,670.00		\$2,941,650.00	Subtotal Payables
					\$0.00		\$0.00		\$2,941,650.00	TOTAL REALIZED DERIVATIVES
									\$0.00	

\$0.00

CHECK TOTALS						
FROM						
ALLEGRO POSITION SUMMARY REPORTS	329.0	\$2,610,980.00	36.0	\$330,670.00	365.0	\$2,941,650.00
CHE TOTAL	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00

Tampa Electric Company
Hedging Activities
08/01/2015 - 07/31/2016
Docket No. 160001-EI ACN 16-068-2-2
Subject: transactions dated 08/16/15

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SOURCE

TAMPA ELECTRIC CO.
SWAPS - DERIVATIVE NATURAL GAS INVOICES

Sep-15 Production Month <Sales>Purchase
8/27/2015 Nymex Settlement Date

44.1

Total Cash Flow Derivatives

Name	ALLEGRO Invoice No.:	Counterparty Invoice No.:	Invoice Due Date	TAMPA ELECTRIC		PEOPLES GAS		TOTAL	
				Cntrt	Amount	Cntrt	Amount	Cntrt	Amount
			09/03/15		\$636,750.00				\$636,750.00
			09/03/15		\$271,900.00				\$271,900.00
			09/03/15		\$424,000.00		\$138,200.00		\$562,200.00
			09/03/15		\$271,400.00				\$271,400.00
			09/03/15		\$242,430.00		\$81,670.00		\$324,100.00
			09/03/15		\$934,500.00				\$934,500.00
			09/03/15		\$790,120.00		\$243,930.00		\$1,034,050.00
			TOTAL		\$3,571,100.00		\$463,800.00		\$4,034,900.00

\$0.00

ASSETS	2-11	2-11	\$0.00	Subtotal Receivables
LIABILITIES			\$3,571,100.00	Subtotal Payables
			\$0.00	\$4,034,900.00
			\$0.00	\$4,034,900.00
				TOTAL REALIZED DERIVATIVES
				\$0.00

FROM		CHECK TOTALS				
ALLEGRO POSITION SUMMARY REPORTS	345.0	\$3,571,100.00	40.0	\$463,800.00	385.0	\$4,034,900.00
CK TOTAL	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00

Tampa Electric Company
Hedging Activities
08/01/2015 - 07/31/2016
Docket No. 160001-EI ACN 16-068-2-2
Subject: transactions details of 12/11

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SOURCE

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TAMPA ELECTRIC CO.
 SWAPS - DERIVATIVE NATURAL GAS INVOICES

Oct-15 Production Month <Sales>Purchase
 9/28/2015 Nymex Settlement Date

Total Cash Flow Derivatives

Name	ALLEGRO Invoice No.:	Counterparty Invoice No.:	Invoice Due Date	TAMPA ELECTRIC		PEOPLES GAS		TOTAL	
				Cntrt	Amount	Cntrt	Amount	Cntrt	Amount
			0/05/15		\$173,150.00				\$173,150.00
			0/05/15		\$431,800.00				\$431,800.00
			0/05/15		\$289,400.00				\$289,400.00
			0/05/15		\$45,600.00		\$15,200.00		\$60,800.00
			0/05/15		\$557,360.00		\$373,240.00		\$930,600.00
			0/05/15		\$1,503,890.00		\$212,460.00		\$1,716,350.00
			0/05/15		\$486,900.00				\$486,900.00
			TOTAL	322.0	\$3,488,100.00		\$600,900.00		\$4,089,000.00
			ASSETS		\$0.00		\$0.00		\$0.00
			LIABILITIES		\$3,488,100.00		\$600,900.00		\$4,089,000.00
					\$0.00		\$0.00		\$0.00
									\$0.00 Subtotal Receivables
									\$4,089,000.00 Subtotal Payables
									\$4,089,000.00 TOTAL REALIZED DERIVATIVES
									\$0.00

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\$0.00

CHECK TOTALS							
FROM							
ALLEGRO POSITION SUMMARY REPORTS	322.0	\$3,488,100.00	\$3.0	\$600,900.00	375.0	\$4,089,000.00	
CK TOTAL	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00	

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 Tampa Electric Company
 Hedging Activities
 08/01/2015 - 07/31/2016
 Docket No. 160001-EI ACN 16-068-2-2
 Subject: transaction details 09/16/17

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SOURCE

REDACTED

TAMPA ELECTRIC CO.
SWAPS - DERIVATIVE NATURAL GAS INVOICES

Nov-15 Production Month <Sales>Purchase
10/29/2015 Nymex Settlement Date
Total Cash Flow Derivatives

44-3

Name	ALLEGRO Invoice No.:	Counterparty Invoice No.:	Invoice Due Date	TAMPA ELECTRIC		PEOPLES GAS		TOTAL	
				Cntrt	Amount	Cntrt	Amount	Cntrt	Amount
		652848	11/04/15		\$149,700.00				\$149,700.00
		3990648	11/04/15		\$453,090.00		\$472,110.00		\$925,200.00
		265315	11/04/15		\$181,000.00				\$181,000.00
		2055397	11/04/15		\$1,579,500.00				\$1,579,500.00
		1538750	11/04/15		\$795,120.00		\$539,280.00		\$1,334,400.00
		22418	11/04/15		\$130,320.00		\$86,880.00		\$217,200.00
		TOTAL			\$3,288,730.00		\$1,098,270.00		\$4,387,000.00
		ASSETS			\$0.00		\$0.00		\$0.00 Subtotal Receivables
		LIABILITIES			\$3,288,730.00		\$1,098,270.00		\$4,387,000.00 Subtotal Payables
					\$0.00		\$0.00		\$4,387,000.00 TOTAL REALIZED DERIVATIVES
									\$0.00

\$0.00

CHECK TOTALS						
FROM						
ALLEGRO POSITION SUMMARY REPORTS	186.0	\$3,288,730.00	59.0	\$1,098,270.00	245.0	\$4,387,000.00
CN TOTAL	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00

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Tampa Electric Company
Hedging Activities
08/01/2015 - 07/31/2016
Docket No. 160001-EI-ACN 16-068-2-2
Subject: transactions deleted

08/16
27

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SOURCE

TAMPA ELECTRIC CO.
 SWAPS - DERIVATIVE NATURAL GAS INVOICES

44.4

Dec-15 Production Month <Sales>Purchase
 11/25/2015 Nymex Settlement Date

Total Cash Flow Derivatives

Name	ALLEGRO Invoice No.:	Counterparty Invoice No.:	Invoice Due Date	TAMPA ELECTRIC		PEOPLES GAS		TOTAL	
				Cntrt	Amount	Cntrt	Amount	Cntrt	Amount
			12/03/15		\$368,930.00		\$183,420.00		\$552,350.00
			12/03/15		\$411,600.00		\$205,800.00		\$617,400.00
			12/03/15		\$346,230.00		\$262,470.00		\$608,700.00
			12/03/15		\$347,400.00				\$347,400.00
			12/03/15		\$1,167,120.00		\$40,380.00		\$1,207,500.00
			12/03/15				\$604,200.00		\$604,200.00
			12/03/15		\$105,900.00		\$105,900.00		\$211,800.00
			TOTAL		\$2,747,180.00		\$1,402,170.00		\$4,149,350.00
			ASSETS		\$0.00		\$0.00		\$0.00 Subtotal Receivables
			LIABILITIES		\$2,747,180.00		\$1,402,170.00		\$4,149,350.00 Subtotal Payables
					\$0.00		\$0.00		\$4,149,350.00 TOTAL REALIZED DERIVATIVES
									\$0.00

\$0.00

CHECK TOTALS						
FROM						
ALLEGRO POSITION SUMMARY REPORTS	166.0	\$2,747,180.00	79.0	\$1,402,170.00	245.0	\$4,149,350.00
CHEK TOTAL	0.0	\$0.00	0.0	\$0.00	0.0	\$0.00

17
 Tampa Electric Company
 Hedging Activities
 08/01/2015 - 07/31/2016
 Docket No. 160001-EI ACN 16-068-22
 Subject: Transactions dated

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SOURCE

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TAMPA ELECTRIC CO.
 SWAPS - DERIVATIVE NATURAL GAS INVOICES

44.5

Jan-16 Production Month <Sales>Purchase
 12/29/2015 Nymex Settlement Date
 Total Cash Flow Derivatives

Name	ALLEGRO Invoice No.	Counterparty Invoice No.	Invoice Due Date	TAMPA ELECTRIC		PEOPLES GAS		TOTAL	
				Conrt	Amount	Conrt	Amount	Conrt	Amount
			01/06/16		\$363,350.00		\$294,450.00		\$657,800.00
			01/06/16		\$405,800.00		\$202,900.00		\$608,700.00
			01/06/16		\$393,000.00				\$393,000.00
			01/06/16				\$172,800.00		\$172,800.00
			01/06/16		\$137,520.00		\$34,380.00		\$171,900.00
			01/06/16		\$759,480.00		\$440,520.00		\$1,200,000.00
			01/06/16		(\$101,000.00)		\$593,400.00		\$492,400.00
			01/06/16		\$116,820.00		\$77,880.00		\$194,700.00
			TOTAL		\$2,074,970.00		\$1,816,330.00		\$3,891,300.00

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Tampa Electric Company
 Hedging Activities
 08/01/2015 - 07/31/2016
 Docket No. 160001-ELACN 16-068-2-2
 Subject: Transactions details
 1/1/16
 1/1/16

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TAMPA ELECTRIC CO.
 SWAPS - DERIVATIVE NATURAL GAS INVOICES

Feb-16 Production Month <Sales>Purchase
 1/27/2016 Nymex Settlement Date
 Total Cash Flow Derivatives

44.6

Name	ALLEGRO Invoice No.:	Counterparty Invoice No.:	Invoice Due Date	TAMPA ELECTRIC		PEOPLES GAS		TOTAL	
				Cntrt	Amount	Cntrt	Amount	Cntrt	Amount
			02/03/16		\$197,700.00				\$197,700.00
			02/03/16		\$266,500.00				\$266,500.00
			02/03/16		\$427,500.00				\$427,500.00
			02/03/16		\$1,244,860.00		\$538,040.00		\$1,782,900.00
			02/03/16		\$366,920.00		\$674,980.00		\$1,041,900.00
			02/03/16		\$269,330.00		\$134,370.00		\$403,700.00
			TOTAL		\$2,772,810.00		\$1,347,390.00		\$4,120,200.00

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Tampa Electric Company
 Hedging Activities
 08/01/2015 - 07/31/2016
 Docket No. 160001-EL ACN 16-068-27
 Subject: Transactions details
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 07/16/17

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SOURCE _____

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TAMPA ELECTRIC CO.
SWAPS - DERIVATIVE NATURAL GAS INVOICES

Mar-16 Production Month <Sales>Purchase
2/25/2016 Nymex Settlement Date

Total Cash Flow Derivatives

Name	ALLEGRO Invoice No.:	Counterparty Invoice No.:	Invoice Due Date	TAMPA ELECTRIC		PEOPLES GAS		TOTAL	
				Cntrt	Amount	Cntrt	Amount	Cntrt	Amount
			03/03/16		\$432,200.00				\$432,200.00
			03/03/16		\$629,760.00		\$157,440.00		\$787,200.00
			03/03/16		\$124,800.00				\$124,800.00
			03/03/16		\$485,400.00				\$485,400.00
			03/03/16		\$887,500.00		\$240,200.00		\$1,127,700.00
			03/03/16		\$665,490.00		\$525,710.00		\$1,191,200.00
			03/03/16		\$267,540.00		\$114,660.00		\$382,200.00
			TOTAL		\$3,492,690.00		\$1,038,010.00		\$4,530,700.00

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Tampa Electric Company
Hedging Activities
08/01/2015 - 07/31/2016
Docket No. 160001-El ACN 16-068-2-2
Subject: Transactions del. 09/16/11

SOURCE

TAMPA ELECTRIC CO.
 SWAPS - DERIVATIVE NATURAL GAS INVOICES

Apr-16 Production Month <Sales>Purchase
 3/29/2016 Nymex Settlement Date

Total Cash Flow Derivatives

Name	ALLEGRO Invoice No.:	Counterparty Invoice No.:	Invoice Due Date	TAMPA ELECTRIC		PEOPLES GAS		TOTAL	
				Cntrt	Amount	Cntrt	Amount	Cntrt	Amount
			04/05/16		\$103,800.00				\$103,800.00
			04/05/16		\$449,400.00				\$449,400.00
			04/05/16		\$84,900.00				\$84,900.00
			04/05/16		\$574,250.00		\$114,850.00		\$689,100.00
			04/05/16		\$639,300.00				\$639,300.00
			04/05/16		\$424,020.00		\$297,780.00		\$721,800.00
			04/05/16		\$893,590.00		\$178,510.00		\$1,072,100.00
			04/05/16		\$93,150.00		\$10,350.00		\$103,500.00
			TOTAL		\$3,262,410.00		\$601,490.00		\$3,863,900.00

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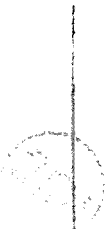
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 Tampa Electric Company
 Hedging Activities
 08/01/2015 - 07/31/2016
 Docket No. 160001-EI-ACN 16-068-2-2
 Subject: transactions details

05/11/16

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TAMPA ELECTRIC CO.
SWAPS - DERIVATIVE NATURAL GAS INVOICES

May-16 Production Month <Sales>Purchase
4/27/2016 Nymex Settlement Date

Total Cash Flow Derivatives

Name	ALLEGRO Invoice No.:	Counterparty Invoice No.:	Invoice Due Date	TAMPA ELECTRIC		PEOPLES GAS		TOTAL	
				Cntrt	Amount	Cntrt	Amount	Cntrt	Amount
			05/04/16		\$639,520.00		\$50,880.00		\$690,400.00
			05/04/16		\$134,550.00		\$0.00		\$134,550.00
			05/04/16		\$264,060.00		\$0.00		\$264,060.00
			05/04/16		\$614,700.00		\$0.00		\$614,700.00
			05/04/16		\$766,400.00		\$225,250.00		\$991,650.00
			05/04/16		\$708,285.00		\$133,465.00		\$841,750.00
			TOTAL		\$3,127,515.00		\$409,595.00		\$3,537,110.00

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Tampa Electric Company
Hedging Activities
08/01/2015 - 07/31/2016
Docket No. 160001-EI ACN 16-068-2-2
Subject: Transactions dated

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TAMPA ELECTRIC CO.
SWAPS - DERIVATIVE NATURAL GAS INVOICES

Jun-16 Production Month <Sales>Purchase
5/26/2016 Nymex Settlement Date
Total Cash Flow Derivatives

Name	ALLEGRO Invoice No.:	Counterparty Invoice No.:	Invoice Due Date	TAMPA ELECTRIC		PEOPLES GAS		TOTAL	
				Cntrl	Amount	Cntrl	Amount	Cntrl	Amount
			06/03/1		\$162,900.00		\$108,600.00		\$271,500.00
			06/03/1		\$263,640.00		\$175,760.00		\$439,400.00
			06/03/1		\$164,250.00				\$164,250.00
			06/03/1		\$558,310.00				\$558,310.00
			06/03/1		\$630,000.00				\$630,000.00
			06/03/1		\$1,324,370.00		\$126,180.00		\$1,450,550.00
			06/03/1		\$270,750.00				\$270,750.00
			06/03/1		\$29,400.00		\$0.00		\$29,400.00
			TOTAL		\$3,403,620.00		\$410,540.00		\$3,814,160.00

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Tampa Electric Company
Hedging Activities
08/01/2015 - 07/31/2016
Docket No. 160001-EI ACN 16-0682-2
Subject: Transactions d/b/a

09/11/16



SOURCE

REDACTED

TAMPA ELECTRIC CO.
SWAPS - DERIVATIVE NATURAL GAS INVOICES

Jul-16 Production Month <Sales>Purchase
6/28/2016 Nymex Settlement Date
Total Cash Flow Derivatives

Name	ALLEGRO Invoice No.:	Counterparty Invoice No.:	Invoice Due Date	TAMPA ELECTRIC		PEOPLES GAS		TOTAL	
				Cntrt	Amount	Cntrt	Amount	Cntrt	Amount
[REDACTED]			07/06/16		(\$129,500.00)		(\$1,900.00)		(\$131,400.00)
			07/06/16		\$198,450.00				\$198,450.00
			07/06/16		(\$179,700.00)				(\$179,700.00)
			07/06/16		(\$148,560.00)		\$10,920.00		(\$137,640.00)
			07/06/16		(\$28,800.00)				(\$28,800.00)
			07/06/16						\$0.00
			07/06/16		\$147,150.00		\$50,700.00		\$197,850.00
			07/06/16		\$70,980.00		\$7,920.00		\$78,900.00
			07/06/16		(\$186,300.00)		\$0.00		(\$186,300.00)
			TOTAL		(\$256,280.00)		\$67,640.00		(\$188,640.00)

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Tampa Electric Company
Hedging Activities
08/01/2015 - 07/31/2016
Docket No. 160001-EI ACN 16-068-2-2
Subject: Transactions debit

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SOURCE

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REDACTED

Tampa Electric Company
Hedging Audit
Docket No.160001-EI
Period Ended July 31, 2016
Control No. 16-068-2-2

Auditor: Intesar Terkawi
File Name: Hedging Transactions

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09/16

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Transaction Instrument	Transaction Number	Volume A	Market Price B	Settlement Price C	Gain/Loss on Hedging Transactions A*(B-C)
September Transactions					
Commodity Swap Transaction	15257	45- [REDACTED]	2.6380	45- [REDACTED]	(285,800.00)
Commodity Swap Transaction	15259	45- [REDACTED]	2.6380	45- [REDACTED]	(285,400.00)
Commodity Swap Transaction	15327	45-1 [REDACTED]	2.6380	45- [REDACTED]	(276,400.00)
Commodity Swap Transaction	15331	45-1 [REDACTED]	2.6380	45-1 [REDACTED]	(413,100.00)
Commodity Swap Transaction	15348	45-1 [REDACTED]	2.6380	45- [REDACTED]	(411,450.00)
Commodity Swap Transaction	15349	45-1.2 [REDACTED]	2.6380	45- [REDACTED]	(271,900.00)
Commodity Swap Transaction	15348	45-1 [REDACTED]	2.6380	45- [REDACTED]	(411,450.00)
Commodity Swap Transaction	15351	45-1.3 [REDACTED]	2.6380	45- [REDACTED]	(271,400.00)
Commodity Swap Transaction	15395	45-1.3 [REDACTED]	2.6380	45- [REDACTED]	(476,100.00)
Commodity Swap Transaction	15396	45-1 [REDACTED]	2.6380	45-1 [REDACTED]	(476,100.00)
Commodity Swap Transaction	15398	45-1 [REDACTED]	2.6380	45- [REDACTED]	(477,000.00)
Commodity Swap Transaction	15401	45-1 [REDACTED]	2.6380	45- [REDACTED]	(459,600.00)
Commodity Swap Transaction	15403	45-1 [REDACTED]	2.6380	45-1 [REDACTED]	(457,500.00)
Commodity Swap Transaction	101025	45-1 [REDACTED]	2.6380	45- [REDACTED]	(94,800.00)
Commodity Swap Transaction	101049	45-1 [REDACTED]	2.6380	45- [REDACTED]	(100,750.00)
Commodity Swap Transaction	10618	45-1 [REDACTED]	2.6380	45- [REDACTED]	(44,100.00)
Commodity Swap Transaction	102176	45- [REDACTED]	2.6380	45- [REDACTED]	(43,650.00)
Commodity Swap Transaction	103943	45- [REDACTED]	2.6380	45- [REDACTED]	(38,700.00)
Commodity Swap Transaction	103944	45-1 [REDACTED]	2.6380	45- [REDACTED]	(38,700.00)

SOURCE As Reported

415

**FOR AUDIT CONTROL NO.
16-068-2-2**

PAGES 45-1 THROUGH 45-1.104

**ALL INFORMATION
IS REDACTED**

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Tampa Electric Company
Hedging Audit
Docket No. 160001-EI
Period Ended July 31, 2016
Control No. 16-068-2-2

Auditor: Intesar Terkawi
File Name: Hedging Transactions

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Transaction Instrument	Transaction Number	Volume A	Market Price B	Settlement Price C	Gain/loss on Hedging Transactions A*(B-C)
October Transactions					
Commodity Swap Transaction	12569	45	$\frac{45-1}{2}$ 2.563	$\frac{45-2}{2}$	(427,200.00)
Commodity Swap Transaction	15270	45-2	2.563	45-2	(143,400.00)
Commodity Swap Transaction	15732	45-2	2.563	45-2.1	(444,600.00)
Commodity Swap Transaction	15352	45-2.1	2.563	45-2.2	(289,400.00)
Commodity Swap Transaction	15356	45-2	2.563	45-2.2	(288,400.00)
Commodity Swap Transaction	15392	45-2.3	2.563	45-2.3	(503,400.00)
Commodity Swap Transaction	15397	45-7.3	2.563	45-2.3	(503,850.00)
Commodity Swap Transaction	15408	45-3.4	2.563	45-2.4	(485,700.00)
Commodity Swap Transaction	15409	45-2.5	2.563	45-2.5	(486,900.00)
Commodity Swap Transaction	101025	45-2.5	2.563	45-2.5	(114,800.00)
Commodity Swap Transaction	101049	45-2.5	2.563	45-2.6	(126,000.00)
Commodity Swap Transaction	101618	45-2.6	2.563	45-2.6	(60,000.00)
Commodity Swap Transaction	102176	45-2.7	2.563	45-2.7	(58,350.00)
Commodity Swap Transaction	104649	45-2.8	2.563	45-2.8	(60,800.00)
Commodity Swap Transaction	104650	45-2.8	2.563	45-2.8	(60,800.00)
Commodity Swap Transaction	105638	45-2.9	2.563	45-2.9	(89,400.00)

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SOURCE As Referenced

**FOR AUDIT CONTROL NO.
16-068-2-2**

PAGES 45-2 THROUGH 45-2.100

**ALL INFORMATION
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Tampa Electric Company
Hedging Activities
08/01/2015 - 07/31/2016
Docket No. 160001-EI ACN 16-068-2-2
Subject: *Percentage of 09/16/16*

Tampa Electric
Summary of Natural Gas Hedge Volumes Relative to Actual Consumption
August, 2015 - July, 2016

517

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Month-Year	Target Minimum	Target Maximum	% of Actual Consumption Hedged	Above Maximum? Below Minimum?	Explanation
Aug-15				Yes	Increased natural gas fired generation due to increased load and reduced coal-fired generation.
Sep-15				Yes	Gas-fired generation higher than projected due to lower than projected coal-fired generation.
Oct-15				Yes	Gas-fired generation higher than projected due to lower than projected coal-fired generation.
Nov-15				Yes	Increased natural gas fired generation due to increased load and reduced coal-fired generation.
Dec-15				Yes	Increased natural gas fired generation due to increased load and reduced coal-fired generation.
Jan-16				Yes	Gas-fired generation higher than projected due to lower than projected coal-fired generation.
Feb-16				Yes	Gas-fired generation higher than projected due to lower than projected coal-fired generation.
Mar-16				Yes	Gas-fired generation higher than projected due to higher than projected use of natural gas at Polk Unit One.
Apr-16				Yes	Gas-fired generation higher than projected due to lower than projected coal-fired generation.
May-16				No	
Jun-16				Yes	Gas-fired generation higher than projected due to lower than projected coal-fired generation.
Jul-16				Yes	Gas-fired generation higher than projected due to lower than projected coal-fired generation.

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SOURCE

Tampa Electric Company
Hedging Activities
08/01/2015 - 07/31/2016
Docket No. 160001-EI ACN 16-068-2-2
Subject: Risk Management Plan 09/16

- 3. **Natural Gas:** Tampa Electric continues to implement prudent financial hedging strategies for natural gas requirements. In 2014, the company used swap agreements—the exchange of a payment to the value of a natural gas index for a fixed payment—to hedge natural gas. In keeping with the company's approved risk management plan, Tampa Electric plans to hedge a significant entage of its projected natural gas usage in 2015.

Tampa Electric uses the forward pricing information of the New York Mercantile Exchange ("NYMEX") natural gas forward price curve in developing natural gas price hedging strategy. Tampa Electric also subscribes to industry publications that provide information about underlying issues affecting the availability and price of natural gas and other commodities. The purpose of Tampa Electric's natural gas hedge plan is to reduce natural gas price volatility by utilizing financial instruments relying on three key variables: price, volume and time.

Tampa Electric projects prices during the company's annual fuel budgeting process. The volume of natural gas that the company will hedge falls between a minimum and a maximum percentage of the expected natural gas burn. The percentages vary according to the time remaining until the contract month.

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Tampa Electric's approved Risk Management Plan describes the following key elements of the company's natural gas hedging strategy: (1) natural gas prices can be hedged up to 24 months into the future; (2) nearer months can be hedged for a greater percentage of the expected volume than outer months; and (3) natural gas options can be used for financial hedging.

Currently, Tampa Electric estimates about [REDACTED] of its total 2014 natural gas purchases will be covered by financial hedges. The net effect of these hedges is estimated to be a [REDACTED] of approximately [REDACTED]. For 2015, Tampa Electric has approximately [REDACTED] hedged with a currently estimated [REDACTED] of [REDACTED].

- 4. **Purchased Power:** Total forecasted purchased power for 2015 is 920 GWH. As of July 2014, Tampa Electric has physically hedged 227 GWH's of its 2015 expected purchased power needs through pre-scheduled purchased power agreements. The remaining GWH's of 2015 forecasted wholesale energy purchases will be purchased from as-available cogenerators or on the short-term, non-firm market for economy purposes, which are not hedged.

