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Public Service Commission

May 18, 2017

James D. Beasley
J. Jeffry Wahlen
Ausley McMullen
Post Office Box 391
Tallahassee, Florida 32302
jbeasley@ausley.com
jwahlen@ausley.com

STAFF'S SECOND DATA REQUEST
via e-mail

Paula K. Brown, Manager
Regulatory Coordination
Tampa Electric Company
Post Office Box 111
Tampa, Florida 33602
regdept@tecoenergy.com

Re: Docket No. 170073-EI – Petition for approval of revised underground residential distribution tariffs, by Tampa Electric Company.

Dear Mr. Beasley, Mr. Wahlen, and Ms. Brown:

By this letter, Commission staff respectfully requests the following information from Tampa Electric Company (TECO or the Company):

1. Please refer to the Company's response to Question 2 of Staff's First Data Request and, in particular, to the phrase "... these cost reductions were more than offset by higher labor costs." To the extent that the higher labor costs pertain to higher costs per unit of time worked (*i.e.*, differentiated from increases in project spending such as work identified in responses to Questions 1, 2, and 5), please provide additional clarification in the following areas:
 - a. Please identify the underlying causes that contributed to the increases in hourly labor costs.
 - b. Please discuss in detail whether the labor cost increases are impacting the overhead and underground model subdivisions disproportionately.
2. Please refer to the Company's responses to Questions 6 and 21 of Staff's First Data Request and, in particular, to the stated increase in contractor overhead rates from 21.85

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percent to 34.83 percent. Please provide additional clarification by identifying and discussing the underlying causes of the increases to these adders.

3. Please refer to the Company's response to Question 9 of Staff's First Data Request. Please provide additional clarification regarding the meaning of the phrase "... there was a decrease in underground network expense." Please include the identification of the underlying causes of the decrease(s) in expense(s) as part of the discussion.
4. Please refer to the Company's response to Question 19 of Staff's First Data Request. Please discuss the merits of using the three year period for averaging storm recovery costs as proposed in the instant docket versus the longer period (2004-2008 inclusive) used in Docket No. 090164-EI. Staff notes that Duke and FPL use a five year averaging period for this calculation (See Dockets 140067-EI and 140066-EI).

Please file all responses electronically no later than Thursday, June 1, 2017 from the Commission's website at www.floridapsc.com, by selecting the Clerk's Office tab and Electronic Filing Web Form. Please call me at (850) 413-6495 if you have any questions.

Thanks and regards,

/s/ Don Rome

Don Rome
Public Utility Analyst
drome@psc.state.fl.us

CDR

cc: Office of Commission Clerk