

State of Florida



Public Service Commission

CAPITAL CIRCLE OFFICE CENTER • 2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FLORIDA 32399-0850

-M-E-M-O-R-A-N-D-U-M-

DATE: September 28, 2017

TO: Carlotta S. Stauffer, Commission Clerk, Office of Commission Clerk

FROM: Jenny X. Wu, Economic Analyst, Division of Economics

RE: Docket No. 20170143-EI – Petition for approval of depreciation rates for Polk 2 combined cycle generating units, by Tampa Electric Company

Please place Tampa Electric Company's email dated September 28, 2017, attached into the above mentioned docket. Thank you.

RECEIVED-FPSC
2017 SEP 28 PM 3:14
COMMISSION
CLERK

Jenny Wu

From: Jim Beasley <jbeasley@ausley.com>
Sent: Thursday, September 28, 2017 2:24 PM
To: Jenny Wu; regdept@tecoenergy.com
Cc: Billy Stiles; De Lucenay, Amber; Bill Ashburn
Subject: RE: Docket No. 20170143-EI - Petition for approval of depreciation rate for Polk 2 combined cycle

Good afternoon, Jenny,

I shared your question with the folks in Tampa, who confirm that the net salvage level for the new assets of Polk 2 CC is zero percent at this time. Since these are brand new assets that just went into service this year, the company is not expecting any salvage at this time. As the assets age and reach a point where the company starts seeing replacements of assets, that is when we will seek a net salvage rate component of depreciation.

Thanks, and let us know if we can be of any further assistance.

Jim

James D. Beasley

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From: Jenny Wu [<mailto:JWU@PSC.STATE.FL.US>]
Sent: Thursday, September 28, 2017 10:45 AM
To: Jim Beasley; regdept@tecoenergy.com
Cc: Billy Stiles
Subject: Docket No. 20170143-EI - Petition for approval of depreciation rate for Polk 2 combined cycle

Good Morning Ms. Brown and Mr. Beasley.

TECO requested 2.9 percent interim depreciation rate for the new plant assets of Polk 2 combined cycle (CC) in the above docket.

For the abundance caution of maintaining a complete record of information, please confirm that TECO's requested net salvage level for the new assets of Polk 2 CC is zero percent.

Thank you,

Jenny Wu

Economic Analyst
Division of Economics

Florida Public Service Commission
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