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October 9, 2020

VIA: ELECTRONIC FILING

Mr. Adam J. Teitzman
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

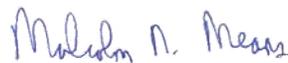
Re: Environmental Cost Recovery Clause
FPSC Docket No. 20200007-EI

Dear Mr. Teitzman:

Attached for filing in the above-styled docket is Tampa Electric Company's Prehearing Statement.

Thank you for your assistance in connection with this matter.

Sincerely,



Malcolm N. Means

MNM/bmp
Attachment

cc: All parties of record (w/attachment)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Environmental Cost)
Recovery Clause.)
_____)

DOCKET NO. 20200007-EI
FILED: October 09, 2020

**TAMPA ELECTRIC COMPANY'S
PREHEARING STATEMENT**

A. APPEARANCES:

JAMES D. BEASLEY
J. JEFFRY WAHLEN
MALCOLM N. MEANS
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Post Office Box 391
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On behalf of Tampa Electric Company

B. WITNESSES:

<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
(Direct)		
1. M. Ashley Sizemore (TECO)	Final true-up for period ending December 31, 2019; estimated true-up for period January 2020 through December 2020; projections for period January 2021 through December 2021	1, 2, 3, 4, 5, 6, 7, 8
	Tariff approval	9
2. Byron T. Burrows (TECO)	Qualification of environmental activities for ECRC recovery	3

C. EXHIBITS:

<u>Exhibit</u>	<u>Witness</u>	<u>Description</u>
<u>(MAS-1)</u>	Sizemore	Final Environmental Cost Recovery Commission Forms 42-1A through 42-9A for the period January 2019 through December 2019
<u>(MAS-2)</u>	Sizemore	Environmental Cost Recovery Commission Forms 42-1E through 42-9E for the Period January 2020 through December 2020
<u>(MAS-3)</u>	Sizemore	Environmental Cost Recovery Forms 42-1P through 42-8P Forms for the Period January 2021 through December 2021

D. STATEMENT OF BASIC POSITION

Tampa Electric Company's Statement of Basic Position:

The Commission should approve the compliance programs described in the testimony and exhibits of Tampa Electric witnesses Sizemore and Burrows for environmental cost recovery. The Commission should also approve Tampa Electric’s calculation of its environmental cost recovery final true-up for the period January 2019 through December 2019, the actual/estimated environmental cost recovery true-up for the current period January 2020 through December 2020, and the company’s projected ECRC revenue requirement and the company’s proposed ECRC factors for the period January 2021 through December 2021.

E. STATEMENT OF ISSUES AND POSITIONS

Generic Environmental Cost Recovery Issues

ISSUE 1: What are the final environmental cost recovery true-up amounts for the period January 2019 through December 2019?

TECO: The appropriate final environmental cost recovery true-up amount for this period is an over-recovery of \$3,987,915. (Witness: Sizemore)

- ISSUE 2:** What are the estimated/actual environmental cost recovery true-up amounts for the period January 2020 through December 2020?
- TECO:** The actual/estimated environmental cost recovery true-up amount for the period is an under-recovery of \$7,841,176. (Witness: Sizemore)
- ISSUE 3:** What are the projected environmental cost recovery amounts for the period January 2021 through December 2021?
- TECO:** The appropriate amount of environmental costs projected to be recovered for the period January 2021 through December 2021 is \$48,192,906. (Witnesses: Sizemore; Burrows)
- ISSUE 4:** What are the environmental cost recovery amounts, including true-up amounts, for the period January 2021 through December 2021?
- TECO:** The total environmental cost recovery amount, including true-up amounts, for the period January 2021 through December 2021 is \$52,083,641 after the adjustment for taxes. (Witness: Sizemore)
- ISSUE 5:** What depreciation rates should be used to develop the depreciation expense included in the total environmental cost recovery amounts for the period January 2021 through December 2021?
- TECO:** The depreciation rates used to calculate the depreciation expense shall be the rates that are in effect during the period the allowed capital investment is in service with the exception of Big Bend Fuel Oil Tanks 1 & 2 which were retired in 2016 and are depreciated over a five-year period from the date of retirement. (Witness: Sizemore)
- ISSUE 6:** What are the appropriate jurisdictional separation factors for the projected period January 2021 through December 2021?
- TECO:** Energy: 100.00%
Demand: 100.00% (Witness: Sizemore)
- ISSUE 7:** What are the appropriate environmental cost recovery factors for the period January 2021 through December 2021 for each rate group?
- TECO:** The appropriate environmental cost recovery factors are as follows:

<u>Rate Class</u>	<u>Factor (¢/kWh)</u>
RS	0.269
GS, CS	0.269
GSD, SBF	
Secondary	0.265
Primary	0.262
Transmission	0.260
IS	
Secondary	0.257
Primary	0.254
Transmission	0.252
LS1	0.258
Average Factor	0.267
(Witness: Sizemore)	

ISSUE 8: What should be the effective date of the new environmental cost recovery factors for billing purposes?

TECO: The factors should be effective beginning with the specified environmental cost recovery cycle and thereafter for the period January 2021 through December 2021. Billing cycles may start before January 1, 2021 and the last cycle may be read after December 31, 2021, so that each customer is billed for twelve months regardless of when the adjustment factors became effective. These charges shall continue in effect until modified by subsequent order of this Commission. (Witness: Sizemore)

ISSUE 9: Should the Commission approve revised tariffs reflecting the environmental cost recovery amounts and environmental cost recovery factors determined to be appropriate in this proceeding?

TECO: Yes. (Witness: Sizemore)

ISSUE 10: Should this docket be closed?

TECO: Yes.

F. STIPULATED ISSUES

TECO: None at this time.

G. MOTIONS

TECO: None at this time.

H. PENDING REQUEST OR CLAIMS FOR CONFIDENTIALITY

TECO: None at this time.

I. OTHER MATTERS

TECO: None at this time.

DATED this 9th day of October 2020.

Respectfully submitted,



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ATTORNEYS FOR TAMPA ELECTRIC COMPANY

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Prehearing Statement, filed on behalf of Tampa Electric Company, has been furnished by electronic mail on this 9th day of October 2020 to the following:

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