

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: November 12, 2020

TO: Adam J. Teitzman, Commission Clerk, Office of Commission Clerk

FROM: William F. Coston, Economic Supervisor, Division of Economics

RE: Docket 20200206-GU - Petition for approval of 2019 true-up, projected 2020 true-up, and 2021 revenue requirements and surcharges associated with cast iron/bare steel pipe replacement rider, by Peoples Gas System.

Please place the following supplemental data request in Docket 20200206-GU.

From: [Floyd, Kand M.](#)
To: [Tipe, Gordon](#)
Subject: FW: docket 20200206 CI/BSR
Date: Tuesday, November 10, 2020 10:13:53 PM
Attachments: [in:aoe01.png](#)
[in:aoe02.png](#)
[in:aoe03.png](#)

See below – please let me know if you have any further questions. Thanks.

From: Jacobs, Kimberly F. <KFJacobs@tecoenergy.com>
Sent: Tuesday, November 10, 2020 6:00 PM
To: Floyd, Kand M. <KFloyd@tecoenergy.com>; Hillary, Sean P. <SPHillary@tecoenergy.com>
Cc: Patel, Dhanisha <DPatel@tecoenergy.com>
Subject: RE: docket 20200206 CI/BSR

Hi, Kandl.

The negative property tax shown in 2021 resulted from the Net Asset value (Plant-in-Service less Accumulated Depreciation) in the CIBSR filing being lower than what had previously been projected for the Rate Case filing. Since the amount moving to rate base from the clause is more than what we reforecasted to end the year with for 2020 in the CIBSR filing, it results in a negative asset balance (2,179,930) in the clause as of Dec 31, 2020. The property tax ad valorem rate of 1.79% gets applied to that prior year ending balance, resulting in property tax of 39,020.75 being credited back to customers through the clause. I hope this helps. I'm out on PTO the next few days, so I'm copying Dhanisha on this, b/c she can help with any follow-up questions you may have.

$$-2,302,790 + 122,860 = -2,179,930$$

$$-2,179,930 * 0.0179 = 39,020.75$$

January 2021 to December 2021						
Return on TOTAL CI/BS + PPP Capital Investments, Depreciation and Taxes for Eligible Replacements						
(in Dollars)						
Line Description	December 31, 2020 2021 CIBSR Filing Projected Amount	December 31, 2020 2021 Rate Case Filing Projected Amount	Difference equals January 1, 2021 Beginning of Period Amount			
2. Gross Plant-in-Service/Depreciation Base	\$ 203,830,475	\$ 206,133,265	\$ (2,302,790)			
3. Less: Accumulated Depreciation	\$ (9,057,244)	\$ (9,180,104)	\$ 122,860			
4. CWIP - Noninterest Bearing	\$ 6,419,378	\$ 3,734,039	\$ 2,685,339			
5. Net Book Value (Lines 2 + 3 + 4)	\$ 201,192,609	\$ 200,687,200	\$ 505,409			
Gross Plant-in-Service/Depreciation Base						
	December 31, 2020 2021 CIBSR Filing Projected Amount	December 31, 2020 2021 Rate Case Filing Projected Amount	Difference equals January 1, 2021 Beginning of Period Amount			
MAINS PLASTIC	\$ 195,259,063	\$ 197,715,648	\$ (2,456,585)			
SERVICES PLASTIC	\$ 8,452,526	\$ 8,300,589	\$ 151,937			
REGULATOR STN	\$ -	\$ -	\$ -			
MAINS STEEL	\$ -	\$ -	\$ -			
SERVICES STEEL	\$ 118,887	\$ 117,029	\$ 1,858			
	\$ 203,830,475	\$ 206,133,265	\$ (2,302,790)			
Accumulated Depreciation						
	December 31, 2020 2021 CIBSR Filing Projected Amount	December 31, 2020 2021 Rate Case Filing Projected Amount	Difference equals January 1, 2021 Beginning of Period Amount			
MAINS PLASTIC	\$ 8,200,893	\$ 8,326,317	\$ (125,425)			
SERVICES PLASTIC	\$ 834,724	\$ 832,192	\$ 2,532			
REGULATOR STN	\$ -	\$ -	\$ -			
MAINS STEEL	\$ -	\$ -	\$ -			
SERVICES STEEL	\$ 21,627	\$ 21,594	\$ 33			
	\$ 9,057,244	\$ 9,180,104	\$ (122,860)			
...	2021 PPP Projection	2021 TOTAL Projection	Debt_Equity Calc	CIBS Beg Net BV Adj Calc	PPP Beg Net BV Adj Calc	Total Beg Net BV Adj Calc

January 2021 to December 2021					
Return on CIBS Capital Investments, Depreciation and Taxes for Eligible Replacements (in Dollars)					
Line Description	December 31, 2020 2021 CIBSR Filing Projected Amount		December 31, 2020 2021 Rate Case Filing Projected Amount		Difference equals January 1, 2021 Beginning of Period Amount
	2. Gross Plant-in-Service/Depreciation Base	\$ 156,626,677	\$	\$ 153,772,113	\$
3. Less: Accumulated Depreciation	\$ (8,084,289)	\$	\$ (8,134,367)	\$	\$ 50,078
4. CWIP - NonInterest Bearing	\$ 4,868,008	\$	\$ 2,345,618	\$	\$ 2,521,390
5. Net Book Value (Lines 2 + 3 + 4)	\$ 153,410,396	\$	\$ 147,984,364	\$	\$ 5,426,032
Gross Plant-in-Service/Depreciation Base					
	December 31, 2020 2021 CIBSR Filing Projected Amount		December 31, 2020 2021 Rate Case Filing Projected Amount		Difference equals January 1, 2021 Beginning of Period Amount
MAINS PLASTIC	\$ 148,055,265	\$	\$ 145,354,496	\$	\$ 2,700,770
SERVICES PLASTIC	\$ 8,452,526	\$	\$ 8,300,589	\$	\$ 151,937
REGULATOR STN	\$ -	\$	\$ -	\$	\$ -
MAINS STEEL	\$ -	\$	\$ -	\$	\$ -
SERVICES STEEL	\$ 118,887	\$	\$ 117,029	\$	\$ 1,858
	\$ 156,626,677	\$	\$ 153,772,113	\$	\$ 2,854,564
Accumulated Depreciation					
	December 31, 2020 2021 CIBSR Filing Projected Amount		December 31, 2020 2021 Rate Case Filing Projected Amount		Difference equals January 1, 2021 Beginning of Period Amount
MAINS PLASTIC	\$ 7,227,938	\$	\$ 7,280,580	\$	\$ (52,642)
SERVICES PLASTIC	\$ 834,724	\$	\$ 832,192	\$	\$ 2,532
REGULATOR STN	\$ -	\$	\$ -	\$	\$ -
MAINS STEEL	\$ -	\$	\$ -	\$	\$ -
SERVICES STEEL	\$ 21,627	\$	\$ 21,594	\$	\$ 33
	\$ 8,084,289	\$	\$ 8,134,367	\$	\$ (50,078)

... 2021 CIBS Projection 2021 PPP Projection 2021 TOTAL Projection Debt_Equity Calc CIBS Beg Net BV Adj Calc PPP Beg Net BV Adj

January 2021 to December 2021					
Return on PPP Capital Investments, Depreciation and Taxes for Eligible Replacements (in Dollars)					
Line Description	December 31, 2020 2021 CIBSR Filing Projected Amount		December 31, 2020 2021 Rate Case Filing Projected Amount		Difference equals January 1, 2021 Beginning of Period Amount
	2. Gross Plant-in-Service/Depreciation Base	\$ 47,203,798	\$	\$ 52,361,152	\$
3. Less: Accumulated Depreciation	\$ (972,955)	\$	\$ (1,045,737)	\$	\$ 72,782
4. CWIP - NonInterest Bearing	\$ 1,551,370	\$	\$ 1,387,421	\$	\$ 163,949
5. Net Book Value (Lines 2 + 3 + 4)	\$ 47,782,213	\$	\$ 52,702,836	\$	\$ (4,920,623)
Gross Plant-in-Service/Depreciation Base					
	December 31, 2020 2021 CIBSR Filing Projected Amount		December 31, 2020 2021 Rate Case Filing Projected Amount		Difference equals January 1, 2021 Beginning of Period Amount
MAINS PLASTIC	\$ 47,203,798	\$	\$ 52,361,152	\$	\$ (5,157,355)
SERVICES PLASTIC	\$ -	\$	\$ -	\$	\$ -
REGULATOR STN	\$ -	\$	\$ -	\$	\$ -
MAINS STEEL	\$ -	\$	\$ -	\$	\$ -
SERVICES STEEL	\$ -	\$	\$ -	\$	\$ -
	\$ 47,203,798	\$	\$ 52,361,152	\$	\$ (5,157,355)
Accumulated Depreciation					
	December 31, 2020 2021 CIBSR Filing Projected Amount		December 31, 2020 2021 Rate Case Filing Projected Amount		Difference equals January 1, 2021 Beginning of Period Amount
MAINS PLASTIC	\$ 972,955	\$	\$ 1,045,737	\$	\$ (72,782)
SERVICES PLASTIC	\$ -	\$	\$ -	\$	\$ -
REGULATOR STN	\$ -	\$	\$ -	\$	\$ -
MAINS STEEL	\$ -	\$	\$ -	\$	\$ -
SERVICES STEEL	\$ -	\$	\$ -	\$	\$ -
	\$ 972,955	\$	\$ 1,045,737	\$	\$ (72,782)

... 2021 CIBS Projection 2021 PPP Projection 2021 TOTAL Projection Debt_Equity Calc CIBS Beg Net BV Adj Calc PPP Beg Net BV Adj

Kimberly Jacobs
Regulatory Accounting
X 84892
813-228-4892