

STATE OF FLORIDA

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Public Service Commission

September 2, 2021

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STAFF'S EIGHTH DATA REQUEST
VIA EMAIL

Re: Docket No. 20210034-EI – Petition for rate increase by Tampa Electric Company

Docket No. 20200264-EI – Petition for approval of 2020 depreciation and dismantlement study and capital recovery schedules, by Tampa Electric Company.

Greetings:

By this letter, the Commission staff asks that Tampa Electric Company (TECO) provide responses to the following data requests:

1. Does the 2021 Agreement prohibit the Commission from addressing TECO's rates if the Company earns in excess of its authorized rate of return?
2. Paragraph 5.(c) of the 2021 Agreement indicates that the CETM "shall not be expanded to allow recovery of costs other than those specified herein without the express written consent of all of the Parties to this 2021 Agreement." Does TECO agree that any expansion of allowable costs for purposes of CETM cost recovery is also contingent upon prior Commission approval? If not, please explain.
3. Does the 2021 Agreement authorize the parties to the Agreement to modify rates without Commission approval?
4. Does the 2021 Agreement limit Commission action after the Term of the Agreement? If yes, please identify and describe all such constraints.

5. Please refer to Paragraph 5(e)(i) and Exhibit J, page 2 of 5, of the 2021 Agreement. Paragraph 5(e)(i) states that, “The calculation of the CETM reflects recovery of this \$111,088,808 reserve deficiency over a period of 13 years beginning January 2024, as shown in Exhibit J.” However, Exhibit J reflects an amount of \$21.3M on the “Cumulative Dismantlement Deficiency Additions” line for the year 2023. Please explain.
6. Please refer to TECO’s 2021 Agreement, Exhibit G “Depreciation Calculation”, page 6 of 6, filed August 6, 2021. Please also refer to TECO’s response to Staff’s 7th Interrogatories, No. 145, filed August 16, 2021, which states “[t]he company has corrected the formula and is refileing these MS Excel files accordingly, entitled [...] and (BS 7) 2022 Depr Rates Side by Side Comparison - v2.xls.” This Excel file, at Tab “Comparison,” cell L218, shows that the stated formula correction results in a “2020 Rate Case Depreciation Accrual” that is \$6,788,774 higher than the original filing.

Staff’s Table 1 below shows the variances between the depreciation accrual recognized in the 2021 Agreement and in TECO’s response to Interrogatory 145.

- a. Does Exhibit G of the 2021 Agreement (page 6), row “Total” of the “Revised Depreciation Rate Reduction” reflect the correction to the original depreciation accrual identified in the Company’s response to Interrogatory 145? Please explain with specificity.
- b. Does the corrected “2022 Rate Case Updated Depreciation Accrual” identified in TECO’s response to Interrogatory 145 minus the accrual identified in Exhibit G of the 2021 Agreement as “Original Proposed 2022 Depreciation Accrual” result in a \$17,063,865 higher accrual? Please explain with specificity.
- c. If Exhibit G of the 2021 Agreement does not reflect the corrections identified in TECO’s response to Interrogatory 145, please explain why not.

PowerPlant Depr Group	TECO's response to Interrogatory No. 145 attached Excel file (BS 7) 2022 Depr Rates Side by Side Comparison - v2.xls," Tab "Comparison"				SA Exhibit G, p. 6	Difference in
	2022 Rate Case Original Depr Accrual	2022 Rate Case Updated Depr Accrual	Update vs. Original		Original Proposed 2022 Depr Accrual	Original (before the SA) 2022 Depr Accrual
			Accrual Comparison			
			Variance	% Variance		
	(1)	(2)	(3)	(4)	(5)	(6) = (2) - (5)
Dismantlement	19,123,623	19,123,623	-	0.0%	19,123,623	0
Acquisition Adjustments	236,709	236,709	-	0.0%	185,749	50,960
SOFTWARE - Intangibles	29,516,555	29,516,555	-	0.0%	29,516,555	0
ARO - Intangibles	5,493,447	5,493,447	-	0.0%		5,493,447
GENERATION - Steam	92,877,884	95,581,268	2,703,384	2.9%	92,877,884	2,703,384
GENERATION - Other	155,342,425	158,684,165	3,341,740	2.2%	155,342,425	3,341,740
TRANSMISSION	33,571,203	33,499,833	(71,370)	-0.2%	33,571,203	(71,370)
DISTRIBUTION	126,811,110	127,380,197	569,087	0.4%	126,811,110	569,087
VEHICLES - General	4,986,730	5,159,319	172,589	3.5%		
GENERAL - General	25,364,420	25,437,765	73,345	0.3%		
General - Subtotal	30,351,151	30,597,084	245,933		25,620,467	4,976,617
TOTAL	493,324,106	500,112,880	6,788,774	1.4%	483,049,016	17,063,865

7. Please refer to TECO's 2021 Agreement, Exhibit G, and explain the cause of the depreciation accrual reductions identified in column (7) of the staff's Table 2 below.

Table 2: Explanation of the Depreciation Calculation in the SA, Exhibit G, page 6

PowerPlant Depr Group	SA Provided Data				Staff Calculation		
	Original Proposed 2022 Depr Accrual	SA Revised Depr Rates 2022 Depr Accrual	SA Revised Depr Rates Impact to 2022 Depr Accrual	Removed 10-yr Amortization Impact	Total Impact Resulting from the SA	Explained Amounts of the Impact	Unexplained Amounts of the Impact
	(1)	(2)	(3)	(4)	(5) = (1) - (2)	(6) = (3) + (4)	(7) = (5) - (6)
Dismantlement	19,123,623	8,014,743		(11,108,880)			
Acquisition Adjustments	185,749						
SOFTWARE - Intangibles	29,516,555	29,516,555					
ARO - Intangibles							
GENERATION - Steam	92,877,884	45,329,637		(47,619,458)	(47,548,247)	(47,619,458)	71,211
GENERATION - Other	155,342,425	150,861,848	(4,480,577)		(4,480,577)	(4,480,577)	0
TRANSMISSION	33,571,203	28,666,458	(4,372,346)	(532,506)	(4,904,745)	(4,904,852)	107
DISTRIBUTION	126,811,110	104,861,392	(18,555,459)	(3,614,687)	(21,949,718)	(22,170,146)	220,428
GENERAL PLANT	25,620,467	23,782,773	(1,837,694)	(1,298)	(1,837,694)	(1,838,992)	1,298
TOTAL	483,049,016	391,033,406	(29,246,076)	(62,876,829)	(80,720,981)	(81,014,025)	293,044

Please file all responses electronically no later than Thursday, September 9, 2021, via the Commission's website at www.floridapsc.com, by selecting the Clerk's Office tab and Electronic Filing Web Form. Please feel free to call me at (850) 413-6191 if you have any questions.

Respectfully,

/s/Charles W. Murphy

Charles W. Murphy
Senior Attorney

CWM/csc

cc: Office of Commission Clerk
All Parties of Record