

STATE OF FLORIDA

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OFFICE OF THE GENERAL COUNSEL
KEITH C. HETRICK
GENERAL COUNSEL
(850) 413-6199

Public Service Commission

December 7, 2021

James D. Beasley/J.Jeffry Wahlen/
Malcolm N. Means
Ausley McMullen
Post Office Box 391
Tallahassee, FL. 32302
jbeasley@ausley.com
jwahlen@ausley.com
mmeans@ausley.com

STAFF'S FIRST DATA REQUEST
VIA EMAIL

RE: Docket No. 20210181-EI – Petition for approval of depreciation rates for direct current microgrid pilot equipment by Tampa Electric Company.

Dear Messrs. Beasley, Wahlen, and Means:

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

1. Please refer to the Petition of TECO for approval of Depreciation Rates for Direct Current Microgrid Pilot Equipment (Petition)(Pilot), Paragraph 14.
 - a. Please specify the plant assets that will be booked to each of TECO's requested new FERC sub-accounts:
 - a. 341.98 Str and Improvements – DC Microgrid
 - b. 343.98 Prime Movers – DC Microgrid
 - c. 345.98 Accessory Elect Eq – Microgrid
 - d. 348.98 Energy Storage Equip – DC Microgrid
 - b. For each of the plant assets that will be booked to the requested sub-accounts, please identify the associated design life estimate with the sources of information, and the performance warranties from vendors.
 - c. Please specify TECO's proposed service life, net salvage, and depreciation rate associated with each of the requested sub-accounts with corresponding explanation.

2. Please refer to Order No. PSC-2021-0237-PAA-EI (Order) and the Petition, Paragraph 12, for the questions below regarding the “reciprocating generators:”
 - a. Please confirm that there will be two reciprocating generators installed within the Pilot and they are what is discussed in the Order (page 6).
 - b. Which of the four requested sub-accounts will the reciprocating generators-related plant and reserve be booked?
 - c. Please provide technical details (type, capacity, design life estimated by the manufacturer, performance warranties from vendor, etc.) pertaining to the reciprocating generators, and explain all the differences, when compared to the generators currently included in TECO’s AC system.
 - d. With corresponding explanation for each, please specify TECO’s proposed lifespan, net salvage, the probable retirement date of the reciprocating generators.
 - e. Please explain how the reciprocating generators will be disposed of when the Pilot is suspended (at the end of year one or four) as detailed in the Order (pages 4 and 5); and how the unrecovered amount of plant costs will be handled.
3. Please refer to Paragraphs 14 through 15 of the Petition for the questions below regarding the solar panels used in the Pilot:
 - a. Which of the four requested sub-accounts will the plant assets and reserves of the solar panels be booked?
 - b. Please identify the manufacturer’s design life estimate of these solar panels.
 - c. Please identify the difference, if any, between these solar panels and the utility-scaled solar panels currently in-service in TECO’s system; and explain whether these differences will affect the panels’ average service life and net salvage.
 - d. Please explain how these solar panels will be disposed of when the Pilot is suspended as detailed in the Order; and how the unrecovered amount of plant costs will be handled.
4. Please refer to Paragraphs 14 and 16 of TECO’s Petition for the questions below regarding the battery storage to be used in the Pilot:
 - a. Please provide the technical details of the battery storage including, but not limited to, the following:
 - Type (e.g., Li-ion, Redox-flow, and zinc-hybrid)
 - Capacity
 - Energy density
 - Efficiency,

Manufacturer's design life estimate

- b. Please identify all the differences between the Pilot-used battery storage equipment and the battery storage equipment currently in-service in TECO's system, and explain whether the differences will affect the equipment's average service life and net salvage.
 - c. Please explain how the battery storage will be disposed of when the Pilot is suspended as detailed in the Order; and how the unrecovered amount of plant costs will be handled.
5. Please refer to the Order (pages 7-8) and Document [DN 02589-2021], in Docket No. 20200234-EI. TECO provided in [DN 02589-2021] that:

Upon approval of this pilot program, the company will be submitting a request to initiate new depreciation plant accounts and depreciation rates.

348.98 DC Microgrid/CEP Batteries	\$	2,965
343.98 DC Microgrid/Generator		140,961
362.00 Station Equipment		312,378
366.00 Underground Conduit		63,046
367.00 Underground Conductors and Devices		12,932
368.00 Line Transformers		900,258
397.25 Fiber		67,217
343.98 DC Microgrid/Solar Panels		<u>440,242</u>
	\$	1,990,000

Please also refer to TECO's Petition, Paragraph 12, where TECO indicates:

[TECO ...] needs to create new sub-accounts for the company-owned rooftop solar panels and related battery storage utilized in the Pilot to isolate those assets from the accounts for existing utility-scale solar and utility-scale battery storage.

- a. Please elaborate on how the isolation discussed in Paragraph 12 of the Petition will be achieved.
- b. Please clarify whether TECO has now determined that five of those previously identified new sub-accounts (362.00, 366.00, 367.00, 368.00, and 397.25) will no longer be needed for the purpose of isolating the Pilot-associated assets from the accounts for existing electric system. Please explain your response.
- c. In terms of allocation and recovery of the Pilot-associated costs, what would be the impact, if any, resulting from not establishing the five new sub-accounts discussed in Question 5.b?

- d. The total Pilot investment amount associated with the aforementioned no-longer-needed new sub-accounts is \$1,355,829 (summation of \$312,378, \$63,046, \$12,932, \$900,258, and \$67,217). Please explain how this plant investment, and the corresponding depreciation reserve, will be booked in a manner of being isolated from the same type of plant assets in TECO's existing system for Pilot cost-tracking purposes.
6. Assuming approval of ECO's Petition, please identify any accounting entries or adjustments that may be necessary resulting from establishing the requested new sub-accounts.

Please file all responses electronically no later than the close of business on Friday, January 7, 2022, 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) 413-6856 if you have any questions.

Sincerely,

/s/ Ryan Sandy

Ryan Sandy
Senior Attorney

RPS/ds

cc: Office of Commission Clerk
All Parties of Record