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April 1, 2022

VIA: ELECTRONIC FILING

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

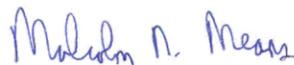
Re: Fuel and Purchased Power Cost Recovery Clause with Generating
Performance Incentive Factor; FPSC Docket No. 20220001-EI

Dear Mr. Teitzman:

Attached for filing in the above docket on behalf of Tampa Electric Company is the Prepared Direct Testimony of M. Ashley Sizemore (Fuel and Capacity) and accompanying Exhibit No. ____ (MAS-1); and Prepared Direct Testimony of John C. Heisey (Optimization Mechanism) and accompanying Exhibit No. ____ (JCH-1), identified as 2021 Optimization Mechanism Results.

Thank you for your assistance in connection with this matter.

Sincerely,



Malcolm N. Means

MNM/bmp
Attachment

cc: All parties of record (w/attachment)

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Testimony and Exhibit MAS-1 of M. Ashley Sizemore and Testimony and Exhibit JCH-1 of John C. Heisey have been furnished by electronic mail on this 1st day of April 2022 to the following:

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ATTORNEY

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and Purchased Power)
Cost Recovery Clause and Generating)
Performance Incentive Factor.)
_____)

DOCKET NO. 20220001-EI
FILED: April 1, 2022

TAMPA ELECTRIC COMPANY'S PETITION FOR APPROVAL OF FUEL AND CAPACITY COST RECOVERY NET TRUE-UPS AND OPTIMIZATION MECHANISM RESULTS FOR THE TWELVE-MONTH PERIOD ENDING DECEMBER 2021

Tampa Electric Company ("Tampa Electric" or "the company") hereby petitions this Commission for approval of the company's net fuel and purchased power cost recovery true-up amount of \$0, net capacity cost recovery true-up amount of \$0, and Tampa Electric's Optimization Mechanism incentive in the amount of \$4,819,866, for the twelve-month period ending December 2021. In support of this Petition, Tampa Electric states as follows:

1. The net fuel and purchased power true-up amount of \$0 for the period January 2021 through December 2021 was calculated in accordance with the methodology set forth in Schedule 1, page 2 of 2, attached to Order No. 10093, dated June 19, 1981. This calculation and the supporting documentation are contained in the prepared testimony and exhibit of Tampa Electric witness M. Ashley Sizemore, which are being filed together with this Petition and are incorporated herein by reference.

2. By Order No. PSC-2021-0442-FOF-EI, issued on November 30, 2021, the Commission approved fuel factors for the period commencing January 2022. Subsequent to that time, Tampa Electric filed its Mid-Correction on January 19, 2022. The Commission approved the updated fuel factors from the Mid-Course Correction, which included the 2021 true-up amounts, on March 18, 2022, per Order No. PSC-2022-0122-PCO-EI. The updated factors

reflected an actual true-up under-recovery, including interest, for the period January 2021 through December 2021 of \$72,171,466. As such, a final net recovery of \$0 is the result. This amount will be included in the calculation of the fuel factors for the period beginning January 2023.

3. The net capacity true-up amount for the period January 2021 through December 2021 of \$0 was calculated in accordance with the methodology set forth in Order No. 25773, dated February 24, 1992. This calculation and the supporting documentation are contained in the prepared direct testimony and exhibit of Tampa Electric witness M. Ashley Sizemore. The Mid-Course Correction referred to earlier also included the 2021 capacity true-up amount when setting new factors, resulting in a final true-up for 2021 to be carried forward to 2023 to be \$0.

4. By Order No. PSC-2017-0456-S-EI, issued November 27, 2017, in Docket Nos. 20170210-EI and 20160160-EI, the Commission approved the company's Optimization Mechanism for a four year term beginning January 1, 2018 with the following sharing thresholds: (a) up to \$4.5 million per year, 100% of the gain is allocated to customers; (b) greater than \$4.5 million per year and less than \$8 million per year, 60% is allocated to shareholders and 40% is allocated to customers; and (c) greater than \$8.0 million per year, 50% allocated to shareholders and 50% allocated to customers. The calculation and supporting documentation for the Optimization Mechanism results are contained in the prepared testimony and exhibit of Tampa Electric witness John C. Heisey, which are being filed together with this Petition and are incorporated herein by reference. Tampa Electric's share of the incremental gains is \$4,189,866, which is to be included in the calculation of the Fuel Cost Recovery Factors for the period beginning January 2023.

WHEREFORE, Tampa Electric Company respectfully requests the Commission to approve the company's net fuel true-up amount of \$0 and Optimization Mechanism incentive

sharing amount of \$4,189,866 and authorize the inclusion of these amounts in the calculation of the fuel factors for the period beginning January 2023; and to approve Tampa Electric's net capacity true-up amount of \$0 and authorize the inclusion of this amount in the calculation of the capacity factors for the period beginning January 2023.

DATED this 1st day of April 2022.

Respectfully submitted,



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ATTORNEYS FOR TAMPA ELECTRIC COMPANY



**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

**DOCKET NO. 20220001-EI
FUEL & PURCHASED POWER COST RECOVERY
AND
CAPACITY COST RECOVERY**

**2021 FINAL TRUE-UP
TESTIMONY AND EXHIBITS**

M. ASHLEY SIZEMORE

FILED: APRIL 1, 2022

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **PREPARED DIRECT TESTIMONY**

3 **OF**

4 **M. ASHLEY SIZEMORE**

5
6 **Q.** Please state your name, address, occupation, and
7 employer.

8
9 **A.** My name is M. Ashley Sizemore. My business address is 702
10 N. Franklin Street, Tampa, Florida 33602. I am employed
11 by Tampa Electric Company ("Tampa Electric" or "Company")
12 in the position of Manager, Rates in the Regulatory
13 Affairs department.

14
15 **Q.** Please provide a brief outline of your educational
16 background and business experience.

17
18 **A.** I received a Bachelor of Arts degree in Political Science
19 and a Master of Business Administration from the
20 University of South Florida in 2005 and 2008,
21 respectively. I joined Tampa Electric in 2010 as a
22 Customer Service Professional. In 2011, I joined the
23 Regulatory Affairs Department as a Rate Analyst. I spent
24 six years in the Regulatory Affairs Department working on
25 environmental and fuel and capacity cost recovery

1 clauses. During the last three years as a Program Manager
2 in Customer Experience, I managed billing and payment
3 customer solutions, products and services. I returned to
4 the Regulatory Affairs Department in 2020 as Manager,
5 Rates. My duties entail managing cost recovery for fuel
6 and purchased power, interchange sales, capacity
7 payments, and approved environmental projects. I have
8 over ten years of electric utility experience in the areas
9 of customer experience and project management as well as
10 the management of fuel clause and purchased power,
11 capacity, and environmental cost recovery clauses.

12
13 **Q.** What is the purpose of your testimony?
14

15 **A.** The purpose of my testimony is to present, for the
16 Commission's review and approval, the final true-up
17 amounts for the period January 2021 through December 2021
18 for the Fuel and Purchased Power Cost Recovery Clause
19 ("Fuel Clause") and the Capacity Cost Recovery Clause
20 ("Capacity Clause"), as well as the Optimization
21 Mechanism gain sharing allocation for the period.
22

23 **Q.** What is the source of the data which you will present by
24 way of testimony or exhibit in this process?
25

1 **A.** Unless otherwise indicated, the actual data is taken from
2 the books and records of Tampa Electric. The books and
3 records are kept in the regular course of business in
4 accordance with generally accepted accounting principles
5 and practices and provisions of the Uniform System of
6 Accounts as prescribed by the Florida Public Service
7 Commission ("Commission").

8

9 **Q.** Have you prepared an exhibit in this proceeding?

10

11 **A.** Yes. Exhibit No. MAS-1, consisting of five documents which
12 are described later in my testimony, was prepared under
13 my direction and supervision.

14

15 **Capacity Cost Recovery Clause**

16 **Q.** What is the final true-up amount for the Capacity Clause
17 for the period January 2021 through December 2021?

18

19 **A.** The final true-up amount for the Capacity Clause for the
20 period January 2021 through December 2021 is a recovery
21 of \$0.

22

23 **Q.** Please describe Document No. 1 of your exhibit.

24

25 **A.** Document No. 1, page 1 of 4, entitled "Tampa Electric

1 Company Capacity Cost Recovery Clause Calculation of
2 Final True-up Variances for the Period January 2021
3 Through December 2021", provides the calculation for the
4 final true-up of \$0. The actual capacity cost under-
5 recovery, including interest, was \$39,496 for the period
6 January 2021 through December 2021 as identified in
7 Document No. 1, pages 1 and 2 of 4. This amount, less the
8 \$25,180 actual/estimated under-recovery approved in Order
9 No. PSC-2021-0442-FOF-EI issued on November 30, 2021,
10 results in a final under-recovery of \$14,316. Tampa
11 Electric included the actual under-recovery of \$39,496,
12 to be recovered during the period of April 2022 through
13 December 2022 in the company's Mid-Course Projection
14 filed on January 19, 2022 and approved in Order No. PSC-
15 2022-0122-PCO-EI issued March 18, 2022 in Docket No.
16 20220001-EI. This results in a final net recovery of \$0
17 for the period, as identified in Document No. 1, page 4
18 of 4.

19
20 **Fuel and Purchased Power Cost Recovery Clause**

21 **Q.** What is the final true-up amount for the Fuel Clause for
22 the period January 2021 through December 2021?

23
24 **A.** The final Fuel Clause true-up for the period January 2021
25 through December 2021 is a recovery of \$0. The actual fuel

1 cost under-recovery, including interest, was \$72,171,466
2 for the period January 2021 through December 2021. This
3 \$72,171,466 amount, less the \$72,171,466 under-recovery
4 included in the company's Mid-Course Projection approved
5 in Order No. PSC-2022-0122-PCO-EI issued March 18, 2022
6 in Docket No. 20220001-EI, results in a net recovery
7 amount for the period of \$0.

8
9 **Q.** Please describe Document No. 2 of your exhibit.

10
11 **A.** Document No. 2 is entitled "Tampa Electric Company Final
12 Fuel and Purchased Power Over/(Under) Recovery for the
13 Period January 2021 Through December 2021." It shows the
14 calculation of the final fuel net recovery of \$0.

15
16 Line 1 shows the total company fuel costs of \$754,096,615
17 for the period January 2021 through December 2021. The
18 jurisdictional amount of total fuel costs is
19 \$754,096,615, as shown on line 2. This amount is compared
20 to the jurisdictional fuel revenues applicable to the
21 period on line 3 to obtain the actual under-recovered fuel
22 costs for the period, shown on line 4. The resulting
23 \$116,436,212 under-recovered fuel costs for the period,
24 adjustments, interest, true-up collected, and the prior
25 period true-up shown on lines 5 through 8 respectively,

1 constitute the actual under-recovery amount of
2 \$72,171,466 shown on line 9. The \$72,171,466 actual under-
3 recovery amount less the \$72,171,466 under-recovery
4 included in the company's Mid-Course Projection recovery
5 amount to be recovered through the period April 2022
6 through December 2022 and as filed on January 19, 2022,
7 shown on line 10, results in a final net recovery amount
8 of \$0 for the period January 2021 through December 2021,
9 as shown on line 11.

10
11 **Q.** Please describe Document No. 3 of your exhibit.

12
13 **A.** Document No. 3 is entitled "Tampa Electric Company
14 Calculation of True-up Amount Actual vs. Mid-course
15 Estimates for the Period January 2021 Through December
16 2021." It shows the calculation of the actual under-
17 recovery compared to the estimate for the same period.

18
19 **Q.** What was the total fuel and net power transaction cost
20 variance for the period January 2021 through December
21 2021?

22
23 **A.** As shown on line A6 of Document No. 3, the fuel and net
24 power transaction cost is \$76,942,490 more than the amount
25 originally estimated.

1 Q. What was the variance in jurisdictional fuel revenues for
2 the period January 2021 through December 2021?

3

4 A. As shown on line C3 of Document No. 3, the company
5 collected \$5,068,888, or 0.8 percent greater
6 jurisdictional fuel revenues than originally estimated.

7

8 Q. Please describe Document No. 4 of your exhibit.

9

10 A. Document No. 4 contains Commission Schedules A1 and A2
11 for the month of December and the year-end period-to-date
12 summary of transactions for each of Commission Schedules
13 A6, A7, A8, A9, as well as capacity information on
14 Schedule A12.

15

16 **Optimization Mechanism**

17 Q. Was Tampa Electric's sharing of Optimization Mechanism
18 gains allocated in accordance with FPSC Order No.
19 PSC-2017-0456-S-EI, issued in Docket Nos. 20170210-EI and
20 20160160-EI, on November 27, 2017?

21

22 A. Yes. As shown in the testimony and exhibit of Tampa
23 Electric witness John C. Heisey filed contemporaneously
24 in this docket, the sharing of Optimization Mechanism
25 gains was allocated in accordance with FPSC Order No.

1 PSC-2017-0456-S-EI. Total gains were \$13,439,732. Under
2 the sharing mechanism, Tampa Electric customers receive
3 \$8,619,866, and the company earned an incentive of
4 \$4,819,866 as a result of the company's Optimization
5 Mechanism activities during 2021. Customers received the
6 gains from these transactions during 2021, and Tampa
7 Electric requests Commission approval to collect the
8 company's \$4,819,866 incentive in its 2023 fuel factors.

9
10 **Q.** Does this conclude your testimony?

11
12 **A.** Yes, it does.
13
14
15
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25

TAMPA ELECTRIC COMPANY

FUEL AND PURCHASED POWER COST RECOVERY

AND

CAPACITY COST RECOVERY

FUEL AND PURCHASED POWER COST RECOVERY
AND
CAPACITY COST RECOVERY
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DOCUMENT NO.	TITLE	PAGE
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2	Final Fuel and Purchased Power Over/ (Under) Recovery for January 2021 - December 2021	16
3	Actual Fuel and Purchased Power True-up vs. Original Estimates January 2021 - December 2021	18
4	Fuel and Purchased Power Cost Recovery YTD December 2021 Schedules A1, A2, A6 through A9 and A12	20

EXHIBIT TO THE TESTIMONY OF
M. ASHLEY SIZEMORE

DOCUMENT NO. 1

FINAL CAPACITY OVER/(UNDER)RECOVERY FOR
JANUARY 2021 - DECEMBER 2021

TAMPA ELECTRIC COMPANY
CAPACITY COST RECOVERY CLAUSE
CALCULATION OF FINAL TRUE-UP VARIANCES
FOR THE PERIOD JANUARY 2021 THROUGH DECEMBER 2021

1. Actual End-of-Period True-up: Over/(Under) Recovery	(\$39,496)
2. Less: Actual/Estimated Over/(Under) Recovery Per Approved Mid-Course Projection (Approved 3/1/22) For the January 2021 Through December 2021 Period	<u>(39,496)</u>
3. Final True-up: Over/(Under) Recovery to Be Carried Forward to the January 2023 Through December 2023 Period	<u><u>\$0</u></u>

TAMPA ELECTRIC COMPANY
CAPACITY COST RECOVERY CLAUSE
CALCULATION OF FINAL TRUE-UP AMOUNT
FOR THE PERIOD JANUARY 2021 THROUGH DECEMBER 2021

	Actual Jan-21	Actual Feb-21	Actual Mar-21	Actual Apr-21	Actual May-21	Actual Jun-21	Actual Jul-21	Actual Aug-21	Actual Sep-21	Actual Oct-21	Actual Nov-21	Actual Dec-21	Total
1 UNIT POWER CAPACITY CHARGES	2,069,886	1,125,101	385,048	704,882	(152,499)	1,179,112	1,176,306	1,194,682	709,319	876,604	363,303	638	9,634,182
2 CAPACITY PAYMENTS TO COGENERATORS	0	0	0	0	0	0	0	0	0	0	0	0	0
3 SCHEDULE J.D. & EMERG CAPACITY CHARGES	0	0	0	0	0	0	0	0	0	0	0	0	0
4 INCREMENTAL SECURITY O&M COSTS	0	0	0	0	0	0	0	0	0	0	0	0	0
5 (CAPACITY REVENUES)	(16,605)	(45,564)	(79,683)	(82,822)	(88,010)	(57,180)	(82,510)	(51,464)	(282,119)	(191,113)	(91,199)	(22,806)	(1,071,095)
6 TOTAL CAPACITY DOLLARS	2,053,281	1,079,517	305,365	621,860	(220,509)	1,121,932	1,095,796	1,143,218	427,200	685,491	272,104	(22,168)	8,563,087
7 JURISDICTIONAL PERCENTAGE	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
8 JURISDICTIONAL CAPACITY DOLLARS	2,053,281	1,079,517	305,365	621,860	(220,509)	1,121,932	1,095,796	1,143,218	427,200	685,491	272,104	(22,168)	8,563,087
9 CAPACITY COST RECOVERY REVENUES (Net of Revenue Taxes)	28,366	28,712	28,523	30,704	33,405	36,878	37,682	39,040	2,922,470	2,640,635	2,244,026	2,040,231	10,110,672
10 PRIOR PERIOD TRUE-UP PROVISION	147,623	147,623	147,623	147,623	147,623	147,623	147,623	147,623	(2,125,857)	(2,125,857)	(2,125,857)	(2,125,857)	(7,322,444)
11 CAPACITY COST RECOVERY REVENUES APPLICABLE TO CURRENT PERIOD (Net of Revenue Taxes)	175,989	176,335	176,146	178,327	181,028	184,501	185,305	186,663	796,613	514,778	118,169	(85,626)	2,788,228
12 TRUE-UP PROVISION FOR PERIOD OVER/(UNDER) RECOVERY (Line 11 - Line 8)	(1,877,292)	(903,182)	(129,219)	(443,533)	401,537	(937,431)	(910,491)	(956,555)	369,413	(170,713)	(153,935)	(63,458)	(5,774,859)
13 INTEREST PROVISION FOR PERIOD	(234)	(372)	(384)	(419)	(270)	(291)	(413)	(399)	(364)	(303)	(247)	(96)	(3,782)
14 OTHER ADJUSTMENT	0	0	0	0	0	0	0	0	0	0	0	0	0
15 TRUE-UP AND INT. PROVISION BEGINNING OF PERIOD - OVER/(UNDER) RECOVERY	(1,583,299)	(3,608,448)	(4,659,625)	(4,936,851)	(5,528,426)	(5,274,782)	(6,360,127)	(7,418,654)	(8,523,231)	(6,028,325)	(4,073,484)	(2,101,809)	(1,583,299)
16 PRIOR PERIOD TRUE-UP PROVISION COLLECTED/(REFUNDED) THIS PERIOD	(147,623)	(147,623)	(147,623)	(147,623)	(147,623)	(147,623)	(147,623)	(147,623)	2,125,857	2,125,857	2,125,857	2,125,857	7,322,444
17 END OF PERIOD TRUE-UP - OVER/(UNDER) RECOVERY (SUM OF LINES 12 - 16)	(3,608,448)	(4,659,625)	(4,936,851)	(5,528,426)	(5,274,782)	(6,360,127)	(7,418,654)	(8,523,231)	(6,028,325)	(4,073,484)	(2,101,809)	(89,496)	(39,496)

TAMPA ELECTRIC COMPANY
 CAPACITY COST RECOVERY CLAUSE
 CALCULATION OF FINAL TRUE-UP AMOUNT
 FOR THE PERIOD JANUARY 2021 THROUGH DECEMBER 2021

	Actual Jan-21	Actual Feb-21	Actual Mar-21	Actual Apr-21	Actual May-21	Actual Jun-21	Actual Jul-21	Actual Aug-21	Actual Sep-21	Actual Oct-21	Actual Nov-21	Actual Dec-21	Total
1 BEGINNING TRUE-UP AMOUNT	(1,583,299)	(3,608,448)	(4,659,625)	(4,936,851)	(5,528,426)	(5,274,782)	(6,360,127)	(7,418,654)	(8,523,231)	(6,028,325)	(4,073,484)	(2,101,809)	(1,583,299)
2 ENDING TRUE-UP AMOUNT BEFORE INTEREST (LINE 1 + LINE 2)	(3,608,214)	(4,659,253)	(4,936,467)	(5,528,007)	(5,274,512)	(6,359,836)	(7,418,241)	(8,522,832)	(6,027,961)	(4,073,181)	(2,101,562)	(39,410)	(35,714)
3 TOTAL BEGINNING & ENDING TRUE-UP AMT. (LINE 1 + LINE 2)	(5,191,513)	(8,267,701)	(9,596,092)	(10,464,858)	(10,802,938)	(11,634,618)	(13,776,368)	(15,941,486)	(14,551,192)	(10,101,506)	(6,175,046)	(2,141,219)	(1,619,013)
4 AVERAGE TRUE-UP AMOUNT (50% OF LINE 3)	(2,595,757)	(4,133,851)	(4,798,046)	(5,232,429)	(5,401,469)	(5,817,309)	(6,889,184)	(7,970,743)	(7,275,596)	(5,050,753)	(3,087,523)	(1,070,610)	(809,507)
5 INTEREST RATE % - 1ST DAY OF MONTH	0.100	0.120	0.090	0.110	0.070	0.040	0.080	0.060	0.060	0.070	0.080	0.110	NA
6 INTEREST RATE % - 1ST DAY OF NEXT MONTH	0.120	0.090	0.110	0.070	0.040	0.080	0.060	0.060	0.070	0.080	0.110	0.080	NA
7 TOTAL (LINE 5 + LINE 6)	0.220	0.210	0.200	0.180	0.110	0.120	0.140	0.120	0.130	0.150	0.190	0.190	NA
8 AVERAGE INTEREST RATE % (50% OF LINE 7)	0.110	0.105	0.100	0.090	0.055	0.060	0.070	0.060	0.065	0.075	0.095	0.095	NA
9 MONTHLY AVERAGE INTEREST RATE % (LINE 8/12)	0.009	0.009	0.008	0.008	0.005	0.005	0.006	0.005	0.005	0.006	0.008	0.008	NA
10 INTEREST PROVISION (LINE 4 X LINE 9)	(234)	(372)	(384)	(419)	(270)	(291)	(413)	(399)	(364)	(303)	(247)	(86)	(3,782)

TAMPA ELECTRIC COMPANY
CAPACITY COST RECOVERY CLAUSE
CALCULATION OF FINAL TRUE-UP VARIANCES
FOR THE PERIOD JANUARY 2021 THROUGH DECEMBER 2021

	(1)	(2)	(3)	(4)
	ACTUAL	Per Mid-Course ESTIMATED	VARIANCE (1) - (2)	% CHANGE (3)/(2)
1 UNIT POWER CAPACITY CHARGES	\$9,634,182	\$9,430,025	\$204,157	2.16%
2 CAPACITY PAYMENTS TO COGENERATORS	0	0	0	0.00%
3 SCHEDULE J & D CAPACITY CHARGES	0	0	0	0.00%
4 INCREMENTAL SECURITY O&M COSTS	0	0	0	0.00%
5 (CAPACITY REVENUES)	(1,071,095)	(1,003,400)	(67,695)	6.75%
6 TOTAL CAPACITY DOLLARS	\$8,563,087	\$8,426,625	\$136,462	1.62%
7 JURISDICTIONAL PERCENTAGE	100.00%	100.00%	0	0.00%
8 JURISDICTIONAL CAPACITY DOLLARS	\$8,563,087	8,426,625	\$136,462	1.62%
9 CAPACITY COST RECOVERY REVENUES (Net of Revenue Taxes)	10,110,672	9,996,100	114,572	1.15%
10 PRIOR PERIOD TRUE-UP PROVISION	(7,322,444)	(7,322,444)	0	0.00%
11 CAPACITY COST RECOVERY REVENUES APPLICABLE TO CURRENT PERIOD (Net of Revenue Taxes)	\$2,788,228	\$2,673,656	\$114,572	4.29%
12 TRUE-UP PROVISION FOR PERIOD OVER/(UNDER) RECOVERY (Line 11 - Line 8)	(\$5,774,859)	(\$5,752,969)	(\$21,890)	0.38%
13 INTEREST PROVISION FOR PERIOD	(3,782)	(11,356)	7,574	-66.70%
14 OTHER ADJUSTMENT	0	0	0	0.00%
15 TRUE-UP AND INT. PROVISION BEGINNING OF PERIOD - OVER/(UNDER) RECOVERY	(1,583,299)	(1,583,299)	0	0.00%
16 PRIOR PERIOD TRUE-UP PROVISION COLLECTED/(REFUNDED) THIS PERIOD	7,322,444	7,322,444	(0)	0.00%
17 END OF PERIOD TRUE-UP - OVER/(UNDER) RECOVERY (SUM OF LINES 12 - 16)	(\$39,496)	(\$25,180)	(\$14,316)	56.85%

EXHIBIT TO THE TESTIMONY OF
M. ASHLEY SIZEMORE

DOCUMENT NO. 2

FINAL FUEL AND PURCHASED POWER OVER/(UNDER)RECOVERY
FOR
JANUARY 2021 - DECEMBER 2021

TAMPA ELECTRIC COMPANY
 FINAL FUEL AND PURCHASED POWER OVER/(UNDER) RECOVERY
 FOR THE PERIOD
 JANUARY 2021 THROUGH DECEMBER 2021

1	TOTAL FUEL COSTS FOR THE PERIOD	\$	754,096,615
2	JURISDICTIONAL FUEL COSTS (INCL. ALL ADJUSTMENTS)		754,096,615
3	JURISDICTIONAL FUEL REVENUES APPLICABLE TO THE PERIOD		<u>637,660,403</u>
4	ACTUAL OVER/(UNDER) RECOVERED FUEL COSTS FOR THE PERIOD (LINE 3 - LINE 2)	\$	(116,436,212)
5	ADJUSTMENTS		0
6	INTEREST		(27,346)
7	TRUE-UP COLLECTED		66,001,888
8	PRIOR PERIOD TRUE-UP (ACTUAL ENDING 12/20)		<u>(21,709,799)</u>
9	ACTUAL OVER/(UNDER) RECOVERY FOR THE PERIOD (LINE 4 + LINE 5 + LINE 6 + LINE 7 + LINE 8)	\$	(72,171,466)
10	OVER/(UNDER) RECOVERY PER APPROVED MID-COURSE (APPROVED 3/1/22) (SCHEDULE E1-A LINE 6)		<u>(72,171,466)</u>
11	FINAL FUEL OVER/(UNDER) RECOVERY (LINE 9 - LINE 10)	\$	<u><u>0</u></u>

EXHIBIT TO THE TESTIMONY OF
M. ASHLEY SIZEMORE

DOCUMENT NO. 3

ACTUAL FUEL AND PURCHASED POWER TRUE-UP

VS.

ORIGINAL ESTIMATES

JANUARY 2021 - DECEMBER 2021

TAMPA ELECTRIC COMPANY
 CALCULATION OF TRUE-UP AMOUNT
 ACTUAL vs. MID-COURSE ESTIMATES
 FOR THE PERIOD
 JANUARY 2021 THROUGH DECEMBER 2021

	ACTUAL	per Mid-Course ESTIMATED	VARIANCE AMOUNT	%
A 1. FUEL COST OF SYSTEM NET GENERATION	\$662,780,053	\$591,149,796	\$71,630,257	12.1
2. FUEL COST OF POWER SOLD	4,125,569	1,169,783	2,955,786	252.7
2a. GAINS FROM SALES	1,093,910	163,962	929,948	567.2
3. FUEL COST OF PURCHASED POWER	26,244,311	9,605,451	16,638,860	173.2
3a. DEMAND & NONFUEL COST OF PUR. PWR.	0	0	0	0.0
3b. PAYMENT TO QUALIFIED FACILITIES	1,606,029	2,059,868	(453,839)	(22.0)
4. ENERGY COST OF ECONOMY PURCHASES	68,685,701	75,672,756	(6,987,055)	(9.2)
5. ADJUSTMENTS	0	0	0	0.0
6. ADJUSTED TOTAL FUEL & NET PWR. TRANS. (SUM OF LINES A1 THRU 5)	\$754,096,615	\$677,154,125	\$76,942,490	11.4
C 1. JURISDICTIONAL FUEL REVENUE	\$707,701,167	\$702,632,279	\$5,068,888	0.7
2. FUEL ADJUSTMENT NOT APPLICABLE	0	0	0	0.0
2a. TRUE-UP PROVISION	(66,001,888)	(66,001,888)	0	0.0
2b. INCENTIVE PROVISION	(2,858,056)	(2,858,056)	0	0.0
2c. 2019 OPTIMIZATION MECHANISM GAIN	(1,180,820)	(1,180,820)	0	0.0
3. JURIS. FUEL REVENUE APPL. TO PERIOD (Sum of Lines C1 through C2c)	\$637,660,403	\$632,591,515	\$5,068,888	0.8
6d. JURISD. TOTAL FUEL & NET PWR. TRANS.	754,096,615	677,154,125	76,942,490	11.4
7. TRUE-UP PROV.- THIS PER. (LINE C3-C6d)	(\$116,436,212)	(\$44,562,610)	(\$71,873,602)	161.3
8. INTEREST PROVISION - THIS PERIOD	(27,346)	(54,897)	27,551	(50.2)
TOTAL TRUE-UP AMOUNT FOR PERIOD (LINE 7 through 8)	(\$116,463,558)	(\$44,617,507)	(\$71,846,051)	161.0
9. TRUE-UP & INT. PROV. BEG. OF PERIOD (Beginning January 2021)	(21,709,799)	(21,709,799)	0	0.0
10. TRUE-UP COLLECTED (REFUNDED)	66,001,888	66,001,888	0	0.0
11. END OF PERIOD TOTAL NET TRUE-UP (LINE C8 through C10)	(\$72,171,466)	(\$325,418)	(\$71,846,048)	22,078.1

EXHIBIT TO THE TESTIMONY OF
M. ASHLEY SIZEMORE

DOCUMENT NO. 4

FUEL AND PURCHASED POWER COST RECOVERY
YTD DECEMBER 2021

SCHEDULES A1 AND A2

AND

SCHEDULES A6 THROUGH A9

AND

SCHEDULE A12

**FUEL AND PURCHASED POWER COST RECOVERY
SCHEDULES A1 AND A2**

DECEMBER 2021

COMPARISON OF ESTIMATED AND ACTUAL
FUEL AND PURCHASED POWER COST RECOVERY FACTOR
TAMPA ELECTRIC COMPANY
MONTH OF: December 2021

	\$		DIFFERENCE		MWH		CENTS/KWH		DIFFERENCE	
	ACTUAL	ESTIMATED	AMOUNT	%	ACTUAL	ESTIMATED	ACTUAL	ESTIMATED	AMOUNT	%
1. Fuel Cost of System Net Generation (A3)	67,790,239	51,183,615	16,606,624	32.4%	1,540,807	1,519,760	21,047	4,39966	3,36787	1.03178
2. Spent Nuclear Fuel Disposal Cost	0	0	0	0.0%	0	0	0	0.00000	0.00000	0.00000
3. Coal Car Investment	0	0	0	0.0%	0	0	0	0.00000	0.00000	0.00000
4a. Adjustments	0	0	0	0.0%	0	0	0	0.00000	0.00000	0.00000
4b. Adjustments	0	0	0	0.0%	0	0	0	0.00000	0.00000	0.00000
4c. Adjustments	0	0	0	0.0%	0	0	0	0.00000	0.00000	0.00000
5. TOTAL COST OF GENERATED POWER (Lines 1 through 4c)	67,790,239	51,183,615	16,606,624	32.4%	1,540,807	1,519,760	21,047	4,39966	3,36787	1.03178
6. Fuel Cost of Purchased Power - Firm (A7)	2,164,984	112,500	2,052,484	94.9%	10,592	2,040	10,592	20.43980	0.00000	20.43980
7. Energy Cost of Sch C X Econ. Purch. (Broker) (A9)	153,600	41,100	112,500	73.3%	3,200	2,040	1,160	4.80000	5.51471	(0.71471)
8. Energy Cost of Other Econ. Purch. (Non-Broker) (A9)	0	0	0	0.0%	0	0	0	0.00000	0.00000	0.00000
9. Energy Cost of Sch. E Economy Purchases (A9)	0	0	0	0.0%	0	0	0	0.00000	0.00000	0.00000
10. Capacity Cost of Sch. E Economy Purchases	0	0	0	0.0%	0	0	0	0.00000	0.00000	0.00000
11. Payments to Qualifying Facilities & Net Metering (A8)	73,105	134,750	(61,645)	(84.3%)	2,295	5,160	(2,865)	(3.18540)	2.61221	(0.57319)
12. TOTAL COST OF PURCHASED POWER (Lines 6 through 11)	2,391,689	247,250	2,144,399	867.2%	16,057	7,200	8,857	14.86722	3.43458	11.43263
13. TOTAL AVAILABLE KWH (LINE 5 + LINE 12)	74,476	89,680	(15,104)	(17.9%)	1,556,894	1,526,960	29,934	3.18410	3.04694	0.13716
14. Fuel Cost of Sch. D Jurisd. Sales (A6)	0	0	0	0.0%	2,339	2,940	(601)	0.00000	0.00000	0.00000
15. Fuel Cost of Sch. C/CB Sales (A6)	0	0	0	0.0%	0	0	0	0.00000	0.00000	0.00000
16. Fuel Cost of OAT/T Sales (A6)	0	0	0	0.0%	0	0	0	0.00000	0.00000	0.00000
17. Fuel Cost of Market Base Sales (A6)	0	0	0	0.0%	0	0	0	0.00000	0.00000	0.00000
18. Gains on Sales	5,634	6,313	(679)	(10.8%)	2,339	2,940	(601)	3.42487	3.26167	0.16330
19. TOTAL FUEL COST AND GAINS OF POWER SALES (LINE 14 + 15 + 16 + 17 + 18)	80,110	95,993	(15,783)	(16.5%)	2,339	2,940	(601)	3.42487	3.26167	0.16330
20. Net Inadvertent Interchange	0	0	0	0.0%	408	0	408	0.00000	0.00000	0.00000
21. Wheeling Rec'd less Wheeling Del'd	0	0	0	0.0%	224	0	224	0.00000	0.00000	0.00000
22. Interchange and Wheeling Losses	0	0	0	0.0%	271	0	271	0.00000	0.00000	0.00000
23. TOTAL FUEL AND NET POWER TRANSACTIONS (LINE 5 + 12 - 19 + 20 + 21 - 22)	70,101,818	51,335,012	18,766,806	36.6%	1,554,916	1,524,020	30,896	4.50840	3.36839	1.14001
24. Net Unbilled	2,377,144	1,189,213	1,187,931	99.9%	52,727	35,305	17,422	4.50840	3.36839	1.14001
25. Company Use	142,601	101,052	41,549	41.1%	3,163	3,000	163	4.50841	3.36840	1.14001
26. T & D Losses	2,443,372	1,699,354	744,018	43.8%	54,196	50,450	3,746	4.50840	3.36840	1.14000
27. System KWH Sales	70,101,818	51,335,012	18,766,806	36.6%	1,444,830	1,435,265	9,565	4.85191	3.57669	1.27522
28. Wholesale KWH Sales	0	0	0	0.0%	0	0	0	0.00000	0.00000	0.00000
29. Jurisdictional KWH Sales	70,101,818	51,335,012	18,766,806	36.6%	1,444,830	1,435,265	9,565	4.85191	3.57669	1.27522
30. Jurisdictional Loss Multiplier	0	0	0	0.0%	0	0	0	1.00000	1.00000	0.00000
31. Jurisdictional KWH Sales Adjusted for Line Losses	70,101,818	51,335,012	18,766,806	36.6%	1,444,830	1,435,265	9,565	4.85191	3.57669	1.27522
32. 2019 Optimization Mechanism Gain	98,398	98,398	0	0.0%	1,444,830	1,435,265	9,565	0.00681	0.00686	(0.00005)
33. True-up *	12,253,962	12,253,962	0	0.0%	1,444,830	1,435,265	9,565	0.84812	0.85378	(0.00566)
34. Total Jurisdictional Fuel Cost (Excl. GPFF)	82,454,178	63,687,372	18,766,806	29.5%	1,444,830	1,435,265	9,565	5.70684	4.43732	1.26952
35. Revenue Tax Factor	0	0	0	0.0%	0	0	0	1.00072	1.00072	0.00000
36. Fuel Cost Adjusted for Taxes (Excl. GPFF)	82,454,178	63,733,227	18,720,951	29.5%	1,444,830	1,435,265	9,565	5.71095	4.44052	1.27043
37. GPFF * (Already Adjusted for Taxes)	238,175	238,175	0	0.0%	1,444,830	1,435,265	9,565	0.01648	0.01659	(0.00011)
38. Fuel Cost Adjusted for Taxes (Incl. GPFF)	82,751,720	63,971,402	18,780,318	29.4%	1,444,830	1,435,265	9,565	5.72743	4.45711	1.27032
39. Fuel FAC Rounded to the Nearest .001 cents per KWH								5.727	4.457	1.270

* Based on Jurisdictional Sales (b) Included for informational purposes only

COMPARISON OF ESTIMATED AND ACTUAL
FUEL AND PURCHASED POWER COST RECOVERY FACTOR
TAMPA ELECTRIC COMPANY
PERIOD TO DATE THROUGH: December 2021

	\$		DIFFERENCE		MWH		DIFFERENCE		CENTS/KWH		DIFFERENCE	
	ACTUAL	ESTIMATED	AMOUNT	%	ACTUAL	ESTIMATED	AMOUNT	%	ACTUAL	ESTIMATED	AMOUNT	%
1. Fuel Cost of System Net Generation (A3)	662,780,053	591,149,796	71,630,257	12.1%	18,736,670	18,837,697	(101,027)	-0.5%	3,53734	3,13812	0.39922	12.7%
2. Spent Nuclear Fuel Disposal Cost	0	0	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
3. Coal/Car Investment	0	0	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
4a. Adjustments	0	0	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
4b. Adjustments	0	0	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
4c. Adjustments	0	0	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
5. TOTAL COST OF GENERATED POWER (Lines 1 through 4c)	662,780,053	591,149,796	71,630,257	12.1%	18,736,670	18,837,697	(101,027)	-0.5%	3,53734	3,13812	0.39922	12.7%
6. Fuel Cost of Purchased Power - Firm (A7)	26,244,311	9,605,451	16,638,860	173.2%	516,325	223,336	292,989	131.2%	5,92821	4,30090	1,62731	18.2%
7. Energy Cost of Sch C X Econ. Purch. (Broker) (A9)	68,685,701	75,672,756	(6,987,055)	-9.2%	1,845,736	1,944,549	(98,813)	-5.1%	3,72132	3,89153	(0.17021)	-4.4%
8. Energy Cost of Other Econ. Purch. (Non-Broker) (A9)	0	0	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
9. Energy Cost of Sch. E Economy Purchases (A9)	0	0	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
10. Capacity Cost of Sch. E Economy Purchases	0	0	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
11. Payments to Qualifying Facilities & Net Metering (A8)	1,605,029	2,059,868	(453,839)	-22.0%	65,615	75,968	(10,353)	-13.6%	2,44768	2,71149	(0.26384)	-9.7%
12. TOTAL COST OF PURCHASED POWER (Lines 6 through 11)	96,536,041	87,338,075	9,197,966	10.5%	2,427,676	2,243,853	183,823	8.2%	3,97648	3,89233	0.08415	2.2%
13. TOTAL AVAILABLE KWH (LINE 5 + LINE 12)					21,164,346	21,081,550	82,796	0.4%				
14. Fuel Cost of Sch. D Jurisd. Sales (A6)	965,562	862,115	103,447	12.0%	34,127	32,742	1,385	4.2%	2,82932	2,63306	0.19626	7.5%
15. Fuel Cost of Sch. C/CB Sales (A6)	0	0	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
16. Fuel Cost of O&TT Sales (A6)	0	0	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
17. Fuel Cost of Market Base Sales (A6)	3,160,007	307,669	2,852,338	927.1%	79,443	11,968	67,475	563.8%	3,97770	2,57076	1,40694	54.7%
18. Gains on Sales	1,093,910	163,963	929,947	567.2%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
19. TOTAL FUEL COST AND GAINS OF POWER SALES	5,219,479	1,333,747	3,885,732	291.3%	113,570	44,710	68,860	154.0%	4,59583	2,98311	1,61272	54.1%
(LINE 14 + 15 + 16 + 17 + 18)												
20. Net Inadvertent Interchange	0	0	0	0.0%	408	0	408	0.0%	0.00000	0.00000	0.00000	0.0%
21. Wheeling Rec'd less Wheeling Del'd	0	0	0	0.0%	224	0	224	0.0%	0.00000	0.00000	0.00000	0.0%
22. Interchange and Wheeling Losses	0	0	0	0.0%	271	0	271	0.0%	0.00000	0.00000	0.00000	0.0%
23. TOTAL FUEL AND NET POWER TRANSACTIONS	754,096,615	677,154,124	76,942,491	11.4%	21,051,137	21,036,840	14,297	0.1%	3,59221	3,21890	0.37332	11.3%
(LINE 5 + 12 - 19 + 20 + 21 - 22)												
24. Net Unbilled	(6,413,534) (a)	5,604,383	(12,017,917)	-214.4%	(23,049)	207,679	(230,728)	-11.1%	27,82565	2,69857	25,12708	931.1%
25. Company Use	1,344,140 (a)	1,167,175	176,965	15.2%	37,154	36,000	1,154	3.2%	3,61775	3,24215	0.37560	11.6%
26. T & D Losses	34,018,576 (a)	30,715,795	3,302,781	10.8%	946,416	945,854	562	0.1%	3,59446	3,24741	0.34705	10.7%
27. System KWH Sales	754,096,615	684,562,910	69,533,705	10.2%	20,088,329	19,847,306	241,023	1.2%	3,75390	3,44915	0.30476	8.8%
28. Wholesale KWH Sales	0	0	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
29. Jurisdictional KWH Sales	754,096,615	684,562,910	69,533,705	10.2%	20,088,329	19,847,306	241,023	1.2%	3,75390	3,44915	0.30476	8.8%
30. Jurisdictional Loss Multiplier	0	0	0	0.0%	0	0	0	0.0%	0.00000	0.00000	0.00000	0.0%
31. Jurisdictional KWH Sales Adjusted for Line Losses	754,096,615	684,562,910	69,533,705	10.2%	20,088,329	19,847,306	241,023	1.2%	3,75390	3,44915	0.30476	8.8%
32. 2019 Optimization Mechanism Gain	1,180,820	1,180,820	0	0.0%	20,088,329	19,847,306	241,023	1.2%	0.00588	0.00595	(0.00007)	-1.2%
33. True-Up *	66,001,888	66,001,888	0	0.0%	20,088,329	19,847,306	241,023	1.2%	0.32856	0.32255	(0.00601)	-1.2%
34. Total Jurisdictional Fuel Cost (Excl. GPFF)	821,278,323	751,745,618	69,532,705	9.2%	20,088,329	19,847,306	241,023	1.2%	4,08834	3,78765	0.30070	7.9%
35. Revenue Tax Factor	0	0	0	0.0%	0	0	0	0.0%	1.00072	1.00072	0.00000	0.0%
36. Fuel Cost Adjusted for Taxes (Excl. GPFF)	821,870,645	752,286,876	69,583,769	9.2%	20,088,329	19,847,306	241,023	1.2%	4,09128	3,79037	0.30091	7.9%
37. GPFF * (Already Adjusted for Taxes)	2,858,056	2,858,056	0	0.0%	20,088,329	19,847,306	241,023	1.2%	0.01423	0.01440	(0.00017)	-1.2%
38. Fuel Cost Adjusted for Taxes (Incl. GPFF)	824,728,701	755,144,932	69,583,769	9.2%	20,088,329	19,847,306	241,023	1.2%	4,10551	3,80477	0.30074	7.9%
39. Fuel FAC Rounded to the Nearest .001 cents per KWH									4.106	3.805	0.301	7.9%

* Based on Jurisdictional Sales (a) Included for informational purposes only

CALCULATION OF TRUE-UP AND INTEREST PROVISION
TAMPA ELECTRIC COMPANY
MONTH OF: December 2021

	CURRENT MONTH		PERIOD TO DATE		DIFFERENCE AMOUNT	%
	ACTUAL	ESTIMATED	ACTUAL	ESTIMATED		
A. FUEL COST & NET POWER TRANSACTION						
1. FUEL COST OF SYSTEM NET GENERATION	67,790,239	51,183,815	16,606,624	591,149,796	71,630,257	12.1%
1a. FUEL REL. R & D AND DEMO. COST	0	0	0	0	0	0.0%
2. FUEL COST OF POWER SOLD	74,476	89,580	(15,104)	1,169,783	2,955,786	252.7%
2a. GAINS FROM SALES	5,634	6,313	(679)	163,962	929,948	567.2%
3. FUEL COST OF PURCHASED POWER	2,164,984	0	2,164,984	9,605,451	16,638,860	173.2%
3a. DEMAND & NONFUEL COST OF PUR. PWR.	0	0	0	0	0	0.0%
3b. PAYMENT TO QUALIFIED FACILITIES	73,105	134,790	(61,685)	2,059,868	(453,839)	-22.0%
4. ENERGY COST OF ECONOMY PURCHASES	153,600	112,500	41,100	75,672,756	(6,987,055)	-9.2%
5. TOTAL FUEL & NET POWER TRANSACTION	70,101,818	51,335,012	18,766,806	677,154,125	76,942,490	11.4%
6. ADJUSTMENT	0	0	0	0	0	0.0%
7. ADJUSTED TOTAL FUEL & NET PWR. TRANS.	70,101,818	51,335,012	18,766,806	677,154,125	76,942,490	11.4%
B. MWH SALES						
1. JURISDICTIONAL SALES	1,444,830	1,435,265	9,565	19,944,141	144,324	0.7%
2. NONJURISDICTIONAL SALES	0	0	0	0	0	0.0%
3. TOTAL SALES	1,444,830	1,435,265	9,565	19,944,141	144,324	0.7%
4. JURISDIC. SALES-% TOTAL MWH SALES	1.0000000	1.0000000	0.0000000	1.0000000	0.0000000	0.0%

CALCULATION OF TRUE-UP AND INTEREST PROVISION
TAMPA ELECTRIC COMPANY
MONTH OF: December 2021

	CURRENT MONTH			PERIOD TO DATE		
	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT %	ACTUAL	ESTIMATED	DIFFERENCE AMOUNT %
C. TRUE-UP CALCULATION						
1. JURISDICTIONAL FUEL REVENUE	60,348,889	60,076,100	272,789 0.5%	707,701,167	702,632,279	5,068,888 0.7%
2. JURISDICTIONAL FUEL REVENUE CREDIT	0	0	0	0	0	0
2a. TRUE-UP PROVISION	(12,253,962)	(12,253,962)	0 0.0%	(66,001,888)	(66,001,888)	0 0.0%
2b. GPIF PROVISION	(238,175)	(238,175)	0 0.0%	(2,858,056)	(2,858,056)	0 0.0%
2c. 2019 OPTIMIZATION MECHANISM GAIN	(98,398)	(98,398)	0 0.0%	(1,180,820)	(1,180,820)	0 0.0%
3. JURIS. FUEL REVENUE APPL. TO PERIOD	47,758,354	47,485,565	272,789 0.6%	637,660,403	632,591,515	5,068,888 0.8%
4. ADJ. TOTAL FUEL & NET PWR. TRANS. (LINE A7)	70,101,818	51,335,012	18,766,806 36.6%	754,096,615	677,154,125	76,942,490 11.4%
5. JURISDIC. SALES- % TOTAL MWH SALES (LINE B4)	1,000,000	1,000,000	0.000000 0.0%	-	-	-
6. JURISDIC. TOTAL FUEL & NET PWR. TRANS.	70,101,818	51,335,012	18,766,806 36.6%	754,096,615	677,154,125	76,942,490 11.4%
6a. JURISDIC. LOSS MULTIPLIER	1,00000	1,00000	0.00000 0.0%	-	-	-
6b. (LINE C6 x LINE C6a)	70,101,818	51,335,012	18,766,806 36.6%	754,096,615	677,154,125	76,942,490 11.4%
6c. ADJUSTMENT	0	0	0 0.0%	0	0	0
6d. JURISDIC. TOTAL FUEL & NET PWR INCL. ALL ADJ. (LNS. C6b+C6c)	70,101,818	51,335,012	18,766,806 36.6%	754,096,615	677,154,125	76,942,490 11.4%
7. TRUE-UP PROV. FOR MO. +/- COLLECTED (LINE C3 - LINE C6d)	(22,343,464)	(3,849,447)	(18,494,017) 480.4%	(116,436,212)	(44,562,610)	(71,873,602) 161.3%
8. INTEREST PROVISION FOR THE MONTH	(5,370)	(1,448)	(3,922) 270.9%	(27,346)	(54,897)	27,551 -50.2%
9. TRUE-UP & INT. PROV. BEG. OF MONTH	(62,076,596)	(8,728,485)	(53,348,111) 611.2%	-	-	-
10. TRUE-UP COLLECTED (REFUNDED)	12,253,962	12,253,962	0 0.0%	-	-	-
11. END OF PERIOD TOTAL NET TRUE-UP (LINE C7 through C10)	(72,171,466)	(325,418)	(71,846,048) 22078.1%	-	-	-

CALCULATION OF TRUE-UP AND INTEREST PROVISION
TAMPA ELECTRIC COMPANY
MONTH OF: December 2021

	CURRENT MONTH		PERIOD TO DATE		
	ACTUAL	ESTIMATED	ACTUAL	ESTIMATED	
			DIFFERENCE	DIFFERENCE	
			AMOUNT	AMOUNT	
			%	%	
D. INTEREST PROVISION					
1. BEGINNING TRUE-UP AMOUNT (LINE C10)	(62,076,596)	(8,728,465)	(53,348,111)	611.2%	NOT APPLICABLE
2. ENDING TRUE-UP AMOUNT BEFORE INT. (LINES C7 + C9 + C10 + C11)	(72,166,098)	(323,970)	(71,842,128)	22175.5%	NOT APPLICABLE
3. TOTAL BEG. & END. TRUE-UP AMOUNT	(134,242,694)	(9,052,455)	(125,190,239)	1382.9%	NOT APPLICABLE
4. AVG. TRUE-UP AMOUNT - (50% OF LINE D3)	(67,121,347)	(4,526,228)	(62,595,119)	1382.9%	NOT APPLICABLE
5. INT. RATE-FIRST DAY REP. BUS. MONTH	0.110	0.380	(0.270)	-71.1%	NOT APPLICABLE
6. INT. RATE-FIRST DAY SUBSEQUENT MONTH	0.080	0.380	(0.300)	-78.9%	NOT APPLICABLE
7. TOTAL (LINE D5 + LINE D6)	0.190	0.760	(0.570)	-75.0%	NOT APPLICABLE
8. AVERAGE INT. RATE (50% OF LINE D7)	0.095	0.380	(0.285)	-75.0%	NOT APPLICABLE
9. MONTHLY AVG. INT. RATE (LINE D8/12)	0.008	0.032	(0.024)	-75.0%	NOT APPLICABLE
10. INT. PROVISION (LINE D4 x LINE D9)	(5,370)	(1,448)	(3,922)	270.9%	NOT APPLICABLE

FUEL AND PURCHASED POWER COST RECOVERY
SCHEDULE A6

JANUARY 2021 - DECEMBER 2021

POWER SOLD
TAMPA ELECTRIC COMPANY
FOR THE PERIOD JANUARY 2021 THROUGH DECEMBER 2021

(1)	(2)	(3)	(4)	(5)	(6)		(7)	(8)	(9)
SOLD TO	TYPE & SCHEDULE	TOTAL MWH SOLD	MWH WHEELED OTHER SYSTEM	MWH FROM OWN GENERATION	CENTS/KWH		TOTAL \$ FOR FUEL ADJUSTMENT (5)X(6A)	TOTAL \$ FOR TOTAL COST (5)X(6B)	GAINS ON MARKET BASED SALES
					(A) FUEL COST	(B) TOTAL COST			
ESTIMATED:									
SEMINOLE	JURISD. SCH. - D	32,742.0	0.0	32,742.0	2.633	2.850	862,115.31	933,030.84	61,420.35
VARIOUS	JURISD. MKT.BASE	11,968.0	0.0	11,968.0	2.571	3.622	307,668.16	433,436.37	102,541.94
TOTAL		44,710.0	0.0	44,710.0	2.616	3.056	1,169,783.47	1,366,467.21	163,962.29
ACTUAL:									
SEMINOLE ELEC. PRECO-1	SCH. - D	34,127.0	0.0	34,127.0	2.829	3.112	965,561.91	1,062,118.10	76,847.98
DUKE ENERGY FLORIDA	SCH. - MA	24,070.0	0.0	24,070.0	3.477	5.029	836,940.10	1,210,497.67	333,961.67
EDF TRADING	SCH. - MA	330.0	0.0	330.0	3.704	5.119	12,223.20	16,892.36	4,045.46
EXGEN	SCH. - MA	1,456.0	0.0	1,456.0	3.612	4.855	52,597.92	70,688.35	15,322.59
FLORIDA POWER & LIGHT	SCH. - MA	5,760.0	0.0	5,760.0	3.093	4.983	178,157.25	287,021.41	95,286.96
MACQUARIE ENERGY LLC	SCH. - MA	586.0	18.0	568.0	3.138	6.229	17,825.36	35,381.27	16,384.23
MORGAN STANLEY	SCH. - MA	125.0	0.0	125.0	3.016	3.879	3,770.50	4,848.46	827.71
ORLANDO UTILITIES	SCH. - MA	12,690.0	0.0	12,690.0	3.250	4.566	412,463.85	579,368.26	145,686.86
ORLANDO UTILITIES	SCH. - MB	22,374.0	0.0	22,374.0	5.127	6.291	1,147,113.39	1,407,583.73	260,470.34
RAINBOW ENERGY	SCH. - MA	308.0	0.0	308.0	3.677	5.559	11,325.16	17,122.51	5,215.23
SOUTHERN COMPANY	SCH. - MA	845.0	0.0	845.0	6.158	4.817	52,032.50	40,707.38	(14,973.67)
THE ENERGY AUTHORITY	SCH. - MA	9,037.0	0.0	9,037.0	3.845	5.160	347,461.18	466,350.03	104,977.93
THE ENERGY AUTHORITY	SCH. - MB	1,880.0	0.0	1,880.0	4.686	7.338	88,096.80	137,952.37	49,855.57
SUB-TOTAL		113,588.0	18.0	113,570.0	3.633	4.699	4,125,569.12	5,336,531.90	1,093,908.86
SUB-TOTAL SCHEDULE D POWER SALES-JURISD.		34,127.0	0.0	34,127.0	2.829	3.112	965,561.91	1,062,118.10	76,847.98
SUB-TOTAL SCHEDULE C POWER SALES		0.0	0.0	0.0	0.000	0.000	0.00	0.00	0.00
SUB-TOTAL SCHEDULE CB POWER SALES		0.0	0.0	0.0	0.000	0.000	0.00	0.00	0.00
SUB-TOTAL SCHEDULE MA/MB POWER SALES-JURISD.		79,461.0	18.0	79,443.0	3.978	5.380	3,160,007.21	4,274,413.80	1,017,060.88
TOTAL		113,588.0	18.0	113,570.0	3.633	4.699	4,125,569.12	5,336,531.90	1,093,908.86
DIFFERENCE		68,878.0	18.0	68,860.0	1.017	1.643	2,955,785.65	3,970,064.69	929,946.57
DIFFERENCE %		154.1%	0.0%	154.0%	38.9%	53.8%	252.7%	290.5%	567.2%

FUEL AND PURCHASED POWER COST RECOVERY
SCHEDULE A7

JANUARY 2021 - DECEMBER 2021

PURCHASED POWER
(EXCLUSIVE OF ECONOMY & COGENERATION)
TAMPA ELECTRIC COMPANY
FOR THE PERIOD JANUARY 2021 THROUGH DECEMBER 2021

(1)	(2)	(3)	(4)	(5)	(6)	(7) CENTS/KWH		(8)
PURCHASED FROM	TYPE & SCHEDULE	TOTAL MWH PURCHASED	MWH FROM OTHER UTILITIES	MWH FOR INTER- RUPTIBLE	MWH FOR FIRM	(A) FUEL COST	(B) TOTAL COST	TOTAL \$ FOR FUEL ADJUSTMENT (6)X(7A)
ESTIMATED:								
VARIOUS		223,336.0	0.0	0.0	223,336.0	4.301	4.301	9,605,450.80
TOTAL		223,336.0	0.0	0.0	223,336.0	4.301	4.301	9,605,450.80
ACTUAL:								
DUKE ENERGY FLORIDA	SCH. - J	388,589.0	0.0	0.0	388,589.0	4.582	4.582	17,804,951.02
EDF TRADING	SCH. - J	200.0	0.0	0.0	200.0	4.800	4.800	9,600.00
EXGEN	SCH. - J	16,243.0	0.0	0.0	16,243.0	6.615	6.615	1,074,474.00
FLA. POWER & LIGHT	SCH. - J	34,150.0	0.0	0.0	34,150.0	5.916	5.916	2,020,240.00
FMPA	SCH. - J	15,115.0	0.0	0.0	15,115.0	5.559	5.559	840,231.61
MACQUARIE ENERGY LLC	SCH. - J	100.0	0.0	0.0	100.0	9.500	9.500	9,500.00
MORGAN STANLEY	SCH. - J	3,200.0	0.0	0.0	3,200.0	6.000	6.000	192,000.00
ORLANDO UTIL. COMM.	SCH. - J	19,220.0	0.0	0.0	19,220.0	8.601	8.601	1,653,085.00
RAINBOW ENERGY	SCH. - J	18,025.0	0.0	0.0	18,025.0	7.967	7.967	1,436,141.00
REEDY CREEK	SCH. - J	240.0	0.0	0.0	240.0	5.000	5.000	12,000.00
SOUTHERN COMPANY	SCH. - J	6,682.0	0.0	0.0	6,682.0	6.531	6.531	436,390.00
THE ENERGY AUTHORITY	SCH. - J	4,191.0	0.0	0.0	4,191.0	8.149	8.149	341,540.00
DUKE ENERGY FLORIDA	OATT	10,370.0	0.0	0.0	10,370.0	3.994	3.994	414,156.32
SUB-TOTAL		516,325.0	0.0	0.0	516,325.0	5.083	5.083	26,244,308.95
SUB-TOTAL SCHEDULE D PURCHASED POWER		0.0	0.0	0.0	0.0	0.000	0.000	0.00
SUB-TOTAL SCHEDULE J PURCHASED POWER		505,955.0	0.0	0.0	505,955.0	5.105	5.105	25,830,152.63
SUB-TOTAL SCHEDULE OATT PURCHASED POWER		10,370.0	0.0	0.0	10,370.0	3.994	3.994	414,156.32
TOTAL		516,325.0	0.0	0.0	516,325.0	5.083	5.083	26,244,308.95
DIFFERENCE		292,989.0	0.0	0.0	292,989.0	0.782	0.782	16,638,858.15
DIFFERENCE %		131.2%	0.0%	0.0%	131.2%	18.2%	18.2%	173.2%

FUEL AND PURCHASED POWER COST RECOVERY
SCHEDULE A8

JANUARY 2021 - DECEMBER 2021

ENERGY PAYMENT TO QUALIFYING FACILITIES
TAMPA ELECTRIC COMPANY
FOR THE PERIOD JANUARY 2021 THROUGH DECEMBER 2021

(1)	(2)	(3)	(4)	(5)	(6)	(7)		(8)
PURCHASED FROM	TYPE & SCHEDULE	TOTAL MWH PURCHASED	MWH FROM OTHER UTILITIES	MWH FOR INTER- RUPTIBLE	MWH FOR FIRM	CENTS/KWH		TOTAL \$ FOR FUEL ADJUSTMENT (6)X(7A)
						(A) FUEL COST	(B) TOTAL COST	
ESTIMATED:								
VARIOUS	NET METERING	2,624.7	0.0	0.0	2,624.7	1.813	1.813	47,589.11
	AS AVAIL.	<u>75,968.0</u>	<u>0.0</u>	<u>0.0</u>	<u>75,968.0</u>	<u>2.649</u>	<u>2.649</u>	<u>2,012,278.79</u>
TOTAL		<u>78,592.7</u>	<u>0.0</u>	<u>0.0</u>	<u>78,592.7</u>	<u>2.621</u>	<u>2.621</u>	<u>2,059,867.90</u>
ACTUAL:								
	AS AVAILABLE							
CARGILL MILLPOINT Total	COGEN.	10,321.0	0.0	0.0	10,321.0	2.547	2.547	262,908.51
CARGILL RIDGEWOOD Total	COGEN.	3,580.0	0.0	0.0	3,580.0	2.239	2.239	80,142.64
IMC-AGRICO-NEW WALES Total	COGEN.	74.0	0.0	0.0	74.0	2.622	2.622	1,940.37
IMC-AGRICO-S. PIERCE Total	COGEN.	47,228.0	0.0	0.0	47,228.0	2.473	2.473	1,168,117.11
LEE COUNTY Total	COGEN.	<u>1,637.0</u>	<u>0.0</u>	<u>0.0</u>	<u>1,637.0</u>	<u>2.601</u>	<u>2.601</u>	<u>42,578.94</u>
SUB-TOTAL COGEN		62,840.0	0.0	0.0	62,840.0	2.476	2.476	1,555,687.57
NET METERING		2,776.3	0.0	0.0	2,776.3	1.813	1.813	50,340.45
TOTAL INCL NET METERING		<u>65,616.3</u>	<u>0.0</u>	<u>0.0</u>	<u>65,616.3</u>	<u>2.448</u>	<u>2.448</u>	<u>1,606,028.02</u>
DIFFERENCE		(12,976.4)	0.0	0.0	(12,976.4)	(0.173)	(0.173)	(453,839.88)
DIFFERENCE %		-16.5%	0.0%	0.0%	-16.5%	-6.6%	-6.6%	-22.0%

FUEL AND PURCHASED POWER COST RECOVERY
SCHEDULE A9

JANUARY 2021 - DECEMBER 2021

ECONOMY ENERGY PURCHASES
TAMPA ELECTRIC COMPANY
FOR THE PERIOD JANUARY 2021 THROUGH DECEMBER 2021

(1) PURCHASED FROM	(2) TYPE & SCHEDULE	(3) TOTAL MWH PURCHASED	(4) MWH FOR INTERRUPTIBLE	(5) MWH FOR FIRM	(6) TRANSACTION COSTS CENTS/KWH	(7) TOTAL \$ FOR FUEL ADJUSTMENT (5) X (6)	(8) COST IF GENERATED		(9) FUEL SAVINGS (8B)-7
							(A) CENTS PER KWH	(B) TOTAL COST	
ESTIMATED:									
VARIOUS	Economy	1,944,549.0	0.0	1,944,549.0	3.892	75,672,756.51	4.747	92,316,671.92	16,643,915.41
TOTAL		1,944,549.0	0.0	1,944,549.0	3.892	75,672,756.51	4.747	92,316,671.92	16,643,915.41
ACTUAL:									
CITY OF TALLAHASSEE	SCH. - J	140.0	0.0	140.0	2.200	3,080.00	3.514	4,919.60	1,839.60
DUKE ENERGY FLORIDA	SCH. - J	776,663.0	0.0	776,663.0	4.037	31,356,943.74	4.475	34,756,966.64	3,400,022.90
EXGEN	SCH. - J	4,900.0	0.0	4,900.0	6.218	304,700.00	13.627	667,740.50	363,040.50
FLA. POWER & LIGHT	SCH. - J	1,041,718.0	0.0	1,041,718.0	3.435	35,777,897.49	3.802	39,602,962.69	3,825,065.20
FMPA	SCH. - J	7,835.0	0.0	7,835.0	5.561	435,678.80	5.633	441,333.84	5,655.04
MACQUARIE ENERGY LLC	SCH. - J	1,043.0	662.9	380.1	9.225	35,063.23	11.635	44,225.23	9,162.00
ORLANDO UTIL. COMM.	SCH. - J	10,600.0	0.0	10,600.0	5.194	550,564.00	5.695	603,625.88	53,061.88
SOUTHERN COMPANY	SCH. - J	800.0	0.0	800.0	7.575	60,600.00	9.430	75,442.00	14,842.00
THE ENERGY AUTHORITY	SCH. - J	2,700.0	0.0	2,700.0	5.969	161,175.00	16.011	432,300.75	271,125.75
SUB-TOTAL		1,846,399.0	662.9	1,845,736.1	3.721	68,685,702.26	4.152	76,629,517.13	7,943,814.87
SUB-TOTAL SCHEDULE J ECONOMY PURCHASES		1,846,399.0	662.9	1,845,736.1	3.721	68,685,702.26	4.152	76,629,517.13	7,943,814.87
TOTAL		1,846,399.0	662.9	1,845,736.1	3.721	68,685,702.26	4.152	76,629,517.13	7,943,814.87
DIFFERENCE		(98,150.0)	662.9	(98,812.9)	(0.170)	(6,987,054.25)	(0.596)	(15,687,154.79)	(8,700,100.54)
DIFFERENCE %		-5.0%	0.0%	-5.1%	-4.4%	-9.2%	-12.5%	-17.0%	-52.3%

FUEL AND PURCHASED POWER COST RECOVERY

SCHEDULE A12

JANUARY 2021 - DECEMBER 2021

REDACTED



**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

**DOCKET NO. 20220001-EI
IN RE: FUEL & PURCHASED POWER COST RECOVERY
AND
CAPACITY COST RECOVERY**

2021 OPTIMIZATION MECHANISM

TESTIMONY AND EXHIBIT

JOHN C. HEISEY

FILED: APRIL 1, 2022

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **PREPARED DIRECT TESTIMONY**

3 **OF**

4 **JOHN C. HEISEY**

5
6 **Q.** Please state your name, address, occupation, and
7 employer.

8
9 **A.** My name is John C. Heisey. My business address is 702 N.
10 Franklin Street, Tampa, Florida 33602. I am employed by
11 Tampa Electric Company ("Tampa Electric" or "company") as
12 Director, Origination and Trading.

13
14 **Q.** Please provide a brief outline of your educational
15 background and business experience.

16
17 **A.** I graduated from Pennsylvania State University with a
18 Bachelor of Science in Business Logistics. I have over 25
19 years of power and natural gas trading experience,
20 including employment at TECO Energy Source, FPL Energy
21 Services, El Paso Energy, and International Paper. Prior
22 to joining Tampa Electric, I was Vice President of Asset
23 Trading for the Entegra Power Group LLC ("Entegra") where
24 I was responsible for Entegra's energy trading
25 activities. Entegra managed a large quantity of merchant

1 capacity in bilateral and organized markets. I joined
2 Tampa Electric in September 2016 as the Manager of Gas
3 and Power Trading. I have held the position of Director,
4 Origination and Trading since August 2021. In this role,
5 I am responsible for directing all activities associated
6 with the procurement and delivery of energy commodities
7 for Tampa Electric's generation fleet. Such activities
8 include the trading, optimization, strategy, planning,
9 origination, compliance and regulatory oversight of
10 natural gas, power, coal, oil, byproducts, and associated
11 delivery. I am also responsible for all aspects of the
12 Optimization Mechanism.

13
14 **Q.** Please state the purpose of your testimony.

15
16 **A.** The purpose of my testimony is to present, for the
17 Commission's review, the 2021 results of Tampa Electric's
18 activities under the Optimization Mechanism, as
19 authorized by FPSC Order No. PSC-2017-0456-S-EI, issued
20 in Docket No. 20160160-EI on November 27, 2017, and as
21 extended for a three-year period beginning January 1, 2022
22 per FPSC Order No. PSC-2021-0423-S-EI, issued in Docket
23 No. 20210034-EI on November 10, 2021.

1 **Q.** Do you wish to sponsor an exhibit in support of your
2 testimony?

3

4 **A.** Yes. Exhibit No. JCH-1, entitled Optimization Mechanism
5 Results, was prepared under my direction and supervision.
6 My exhibit shows the gains for each type of activity
7 included in the Optimization Mechanism and the sharing of
8 gains between customers and the company.

9

10 **Q.** Please provide an overview of the Optimization Mechanism.

11

12 **A.** The Optimization Mechanism is designed to create
13 additional value for Tampa Electric's customers while
14 also providing an incentive to the company if certain
15 customer-value thresholds are achieved. The Optimization
16 Mechanism includes gains from wholesale power sales and
17 savings from wholesale power purchases, as well as gains
18 from other forms of asset optimization.

19

20 **Q.** Please describe Tampa Electric's Optimization Mechanism
21 submitted in Docket No. 20160160-EI and approved by Order
22 No. PSC-2017-0456-S-EI, and extended by Order No. PSC-
23 2021-0423-S-EI in Docket No. 20210034-EI.

24

25 **A.** Effective January 1, 2018, for the four-year period from

1 2018 through 2021, gains on all optimization mechanism
2 activities, including short-term wholesale sales, short-
3 term wholesale purchases, and all forms of asset
4 optimization undertaken each year will be shared between
5 shareholders and customers. The sharing thresholds are
6 (a) for the first \$4.5 million per year, 100 percent of
7 gains to customers; (b) for gains greater than \$4.5
8 million per year and less than \$8.0 million per year,
9 split 60 percent to shareholders and 40 percent to
10 customers; and (c) for gains greater than \$8.0 million
11 per year, 50-50 sharing between shareholders and
12 customersThe Optimization Mechanism will continue for an
13 additional three years, through December 31, 2024, as
14 authorized by the Commission in Order No. PSC-2021-0423-
15 S-EI, issued on November 10,2021. While the Optimization
16 sharing thresholds will continue in its current form,
17 additional changes were included such that 1) any natural
18 gas pipeline revenue from the release of natural gas
19 pipeline capacity by Tampa Electric will be credited, in
20 its entirety to retail customers, through the fuel clause
21 and 2) any retirement/release of rail cars will be taken
22 into account through the fuel clause and not subject to
23 sharing through the Optimization Mechanism.

1 **Optimization Mechanism Transactions**

2 **Q.** Please provide the details of Tampa Electric's short-term
3 wholesale sales under the Optimization Mechanism for
4 2021.

5
6 **A.** Optimization Mechanism gains from wholesale sales were
7 \$1,023,666 or 8 percent of optimization gains for 2021.
8 The monthly detail is shown in my exhibit in the schedule
9 "Wholesale Sales-Table 3."

10
11 **Q.** Please provide the details of Tampa Electric's short-term
12 wholesale purchases under the Optimization Mechanism for
13 2021.

14
15 **A.** Optimization Mechanism gains from wholesale purchases
16 were \$8,692,298 or 65 percent of optimization gains for
17 2021. The monthly detail can be found in my exhibit on
18 the schedule labeled "Wholesale Purchases-Table 4."

19
20 **Q.** Please describe Tampa Electric's asset optimization
21 activities and the gains from those transactions under
22 the Optimization Mechanism for 2021.

23
24 **A.** Optimization Mechanism gains from asset optimization
25 activities were \$3,723,768 or 27 percent of optimization

1 gains for 2021. The gains from asset optimization
2 activities are shown in my exhibit at "Asset Optimization
3 Detail-Table 5."

4
5 A description of Tampa Electric's 2021 asset optimization
6 activities is provided below.

- 7 • Delivered solid fuel and or transportation capacity
8 sales using existing transport - sell coal and coal
9 transportation, using Tampa Electric's existing coal
10 and transportation capacity during periods when it
11 is not needed to serve Tampa Electric's native
12 electric load;
- 13 • Asset Management Agreement ("AMA") - outsource
14 optimization functions to a third party through
15 assignment of power, transportation and/or storage
16 rights in exchange for a premium to be paid to Tampa
17 Electric.
- 18 • Gas storage utilization - release contracted storage
19 space or sell stored gas during periods when it is
20 not needed to serve Tampa Electric's native electric
21 load.
- 22 • Production (upstream) area sales - sell gas in gas-
23 production areas when it is not needed to serve Tampa
24 Electric's native electric load.

1 Q. Please summarize the activities and results of the
2 Optimization Mechanism for 2021.

3
4 A. Tampa Electric participated in the following Optimization
5 Mechanism activities in 2021: wholesale power purchases
6 and sales, delivered solid fuel sales, natural gas
7 storage AMAs, gas storage utilization, and production
8 (upstream) area sales. The optimization gains for 2021
9 were \$13,439,732 which exceeded the \$4,500,000 threshold
10 by \$8,939,732 as shown in my exhibit on schedule "Total
11 Gains Threshold Schedule-Table 1." Customer benefits were
12 \$8,619,866, and company benefits were \$4,819,866 in 2021.

13
14 Q. Did Tampa Electric incur incremental Optimization
15 Mechanism costs during 2021?

16
17 A. Tampa Electric incurred incremental Optimization
18 Mechanism personnel costs to establish processes and
19 manage these new activities. However, the company agreed
20 that it would not seek recovery of these costs through
21 the Optimization Mechanism if it was approved and
22 therefore has not separately tracked the costs.

23
24 Q. Overall, were Tampa Electric's activities under the
25 Optimization Mechanism successful in 2021?

1 **A.** Yes, Tampa Electric produced customer gains of \$8,619,866
2 in the fourth year of Optimization Mechanism activity.
3 The company continues to focus on improvements in
4 processes, reporting, and optimization strategies.

5
6 Despite another mild winter in the southeast United States
7 in 2021, the impacts of Winter Storm Uri in February
8 produced optimization opportunities. Gains of \$2,691,992
9 or 20 percent of optimization gains were realized in
10 production (upstream) area gas sales and gas storage
11 utilization during this event. Similar to results in 2019
12 and 2020, economic wholesale power purchases were the
13 largest contributor of gains with 65 percent of
14 optimization gains. Wholesale power sales gains were
15 driven by generation outage demand in September and
16 October. Natural gas storage AMA gains were better than
17 expected given the volatility in the gas market. Lastly,
18 coal sales contributed solid fuel gains.

19
20 **Q.** Does this conclude your testimony?

21
22 **A.** Yes, it does.
23
24
25

**EXHIBIT TO THE TESTIMONY OF
JOHN C. HEISEY**

**OPTIMIZATION MECHANISM RESULTS
JANUARY 2021 - DECEMBER 2021**

**TAMPA ELECTRIC
 OPTIMIZATION MECHANISM
 Actual for the Period: January 2021 through December 2021**

(1) Month	(2) Wholesale Sales Total Gains (\$)		(3) Wholesale Purchases Total Savings (\$)		(4) Asset Optimization Gains (\$)		(5) Total Monthly Gains (\$)		(6) Threshold 1 Gains ≤ \$4.5 M (\$)		(7) Threshold 2 \$4.5M < Gains ≤ \$8.0M (\$)		(8) Threshold 3 Gains > \$8.0 M (\$)	
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	
January	3,117	17,338	24,000	44,455	44,455	-	-	44,455	-	-	-	-	-	
February	22,414	35,360	2,715,992	2,773,766	2,773,766	-	-	2,773,766	-	-	-	-	-	
March	320	445,684	208,896	654,900	654,900	-	-	654,900	-	-	-	-	-	
April	25,667	413,997	25,796	465,460	465,460	-	-	465,460	-	-	-	-	-	
May	48,506	1,933,111	341,416	2,323,033	2,323,033	-	-	2,323,033	1,761,614	-	-	-	-	
June	26,083	976,028	43,771	1,045,882	1,045,882	-	-	1,045,882	1,045,882	-	-	-	-	
July	5,237	1,591,511	89,481	1,686,229	1,686,229	-	-	1,686,229	692,504	-	-	-	993,725	
August	33,191	1,554,001	68,459	1,655,651	1,655,651	-	-	1,655,651	-	-	-	-	1,655,651	
September	539,199	1,007,098	133,957	1,680,254	1,680,254	-	-	1,680,254	-	-	-	-	1,680,254	
October	308,666	431,339	24,000	764,005	764,005	-	-	764,005	-	-	-	-	764,005	
November	11,266	276,271	24,000	311,537	311,537	-	-	311,537	-	-	-	-	311,537	
December	-	10,560	24,000	34,560	34,560	-	-	34,560	-	-	-	-	34,560	
Total	1,023,666	8,692,298	3,723,768	13,439,732	13,439,732	4,500,000	3,500,000	5,439,732	4,500,000	3,500,000	5,439,732	4,819,866	4,819,866	

TOTAL GAINS SHARING SCHEDULE-Table 2

(1) Month	(2) Threshold 1 Gains ≤ \$4.5 M 100% Customer Benefit (\$)		(3) Threshold 2 \$4.5M < Gains ≤ \$8.0M 40% Customer Benefit (\$)		(4) Threshold 2 \$4.5M < Gains ≤ \$8.0M 60% TEC Benefit (\$)		(5) Threshold 3 Gains > \$8.0M 50% Customer Benefit (\$)		(6) Threshold 3 Gains > \$8.0M 50% TEC Benefit (\$)		(7) Total Customer Benefits (\$)		(8) Total TEC Benefits (\$)	
	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	
January	44,455	-	-	-	-	-	-	-	-	-	44,455	-	-	
February	2,773,766	-	-	-	-	-	-	-	-	-	2,773,766	-	-	
March	654,900	-	-	-	-	-	-	-	-	-	654,900	-	-	
April	465,460	-	-	-	-	-	-	-	-	-	465,460	-	-	
May	561,419	704,646	1,056,968	-	-	-	-	-	-	-	1,266,065	-	-	
June	-	418,353	627,529	-	-	-	-	-	-	-	418,353	-	-	
July	-	277,002	415,502	496,863	827,826	827,826	827,826	827,826	827,826	827,826	773,864	912,365	912,365	
August	-	-	-	827,826	827,826	827,826	827,826	827,826	827,826	827,826	827,826	827,826	827,826	
September	-	-	-	840,127	840,127	840,127	840,127	840,127	840,127	840,127	840,127	840,127	840,127	
October	-	-	-	382,003	382,003	382,003	382,003	382,003	382,003	382,003	382,003	382,003	382,003	
November	-	-	-	155,769	155,769	155,769	155,769	155,769	155,769	155,769	155,769	155,769	155,769	
December	-	-	-	17,280	17,280	17,280	17,280	17,280	17,280	17,280	17,280	17,280	17,280	
Total	4,500,000	1,400,000	2,100,000	2,719,866	2,100,000	2,719,866	2,719,866	2,719,866	2,719,866	2,719,866	8,619,866	8,619,866	4,819,866	

TAMPA ELECTRIC
WHOLESALE POWER DETAIL
Actual for the Period: January 2021 through December 2021

Wholesale Sales-Table 3

(1)	(2)	(3)	(4)	(5)
Month	Wholesale Sales (MWh)	Wholesale Gross Gains (\$)	Third Party Transmission Costs (\$)	Total Net Wholesale Sales Gains (\$) (3) + (4)
January	500	5,658	(2,541)	3,117
February	1,413	34,367	(11,953)	22,414
March	40	562	(242)	320
April	2,625	39,311	(13,644)	25,667
May	5,300	71,166	(22,660)	48,506
June	2,090	33,090	(7,007)	26,083
July	765	10,779	(5,542)	5,237
August	2,100	44,364	(11,173)	33,191
September	42,576	768,844	(229,645)	539,199
October	20,788	430,569	(121,903)	308,666
November	946	17,702	(6,436)	11,266
December				0
Total	79,143	1,456,412	(432,746)	1,023,666

Wholesale Purchases-Table 4

(1)	(2)	(3)	(4)	(5)
Month	Wholesale Purchases (MWh)	Wholesale Savings (\$)	Capacity Purchases (\$)	Total Net Wholesale Purchase Gains (\$) (3) + (4)
January	4,235	17,338	-	17,338
February	64,420	35,360	-	35,360
March	78,325	445,684	-	445,684
April	117,300	413,997	-	413,997
May	258,930	1,933,111	-	1,933,111
June	273,570	976,028	-	976,028
July	297,556	1,591,511	-	1,591,511
August	284,697	1,554,001	-	1,554,001
September	266,109	1,007,098	-	1,007,098
October	121,450	431,339	-	431,339
November	71,290	276,271	-	276,271
December	3,200	10,560	-	10,560
Total	1,841,082	8,692,298	-	8,692,298

TAMPA ELECTRIC
ASSET OPTIMIZATION DETAIL-Table 5
Actual for the Period: January 2021 through December 2021

(1) Month	(2) Natural Gas Storage Optimization (\$)	(3) Natural Gas AMA Gains (\$)	(4) Production Area Sales	(5) Resale of Solid Fuel (\$)	(6) Total Asset Optimization Gains (\$)
January					24,000
February					2,715,992
March					208,896
April					25,796
May					341,416
June					43,771
July					89,481
August					68,459
September					133,957
October					24,000
November					24,000
December					24,000
Total	152,439	604,403	2,539,553	427,373	3,723,768