

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Tampa Electric Company)
For Approval of Depreciation Rate for Electric)
Vehicle Charging Stations)
_____)

DOCKET NO. _____

FILED: August 11, 2023

**TAMPA ELECTRIC COMPANY'S PETITION
FOR APPROVAL OF DEPRECIATION RATE FOR
ELECTRIC VEHICLE CHARGING STATIONS**

Tampa Electric Company ("Tampa Electric" or "the company"), pursuant to Section 366.04, Florida Statutes and Rules 25-6.0436(2)(a) and 25-6.0436(3)(b), Florida Administrative Code, petitions for Commission approval of a new depreciation accounts and rate for electric vehicle charging stations and, in support thereof, says:

I. Preliminary Information

1. The Petitioner's name and address are:

Tampa Electric Company
702 North Franklin Street
Tampa, Florida 33602

2. Any pleading, motion, notice, order or other document required to be served upon

Tampa Electric or filed by any party to this proceeding shall be served upon the following individuals:

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3. Tampa Electric is a Florida corporation and a wholly owned subsidiary of TECO Energy, Inc., which is a wholly owned subsidiary of Emera Incorporated. The company is an investor-owned public utility operating under the Commission's jurisdiction pursuant to Chapter 366, Florida Statutes.

4. Tampa Electric provides retail service to over 810,000 customers in a 2,000 square mile service territory in Hillsborough and portions of Polk, Pinellas and Pasco Counties, Florida. Tampa Electric and its approximately 2,400 employees are focused on safety, providing cleaner and greener energy for its communities, and making it easier for its customers to do business with the company – when and where they want.

5. This petition is filed consistent with Rule 28-106.201, F.A.C. The agency affected is the Florida Public Service Commission, located at 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399.

6. This Petition represents an original pleading and is not filed in response to any proposed action by the Commission. Accordingly, the company is not responding to any proposed agency action.

III. Statement on Disputed Issues of Material Fact

7. In compliance with paragraph (2)(d) of Rule 28-106.201, F.A.C., Tampa Electric states that it is not aware of any disputed issues of material fact at this time, and does not believe any disputed issues of material fact will arise in this docket, but acknowledges the possibility that the Office of Public Counsel and other parties could assert disputed issues of material fact during this proceeding.

IV. Statement of Ultimate Facts Alleged and Providing the Basis for Relief

8. Pursuant to Rule 25-6.0436(3)(a) of the Florida Administrative Code, electric utilities are required to maintain depreciation rates and accumulated depreciation reserves in accounts or subaccounts in accordance with the Uniform System of Accounts for Public Utilities and Licensees, as found in the Code of Federal Regulations, which is incorporated by reference in Rule 25-6.014, F.A.C.

9. Rule 25-6.0436(2)(a) states that no utility may initiate a new depreciation rate without Commission approval.

10. Rule 25-6.0436(3)(b) states that any utility that establishes a new account or subaccount classification must request Commission approval of a depreciation rate for the new plant category.

11. On May 18, 2021, the Commission entered an Order approving Tampa Electric's "Drive Smart Pilot Program." Under this Pilot, Tampa Electric will purchase, install, own, and maintain approximately 200 electric vehicle charging ports on customer premises within the company's service territory.¹ The company expects that the first chargers installed under this Pilot will go into service in September of 2023. As a result, the company has not recorded any Pilot Program charging stations or associated depreciation as of the filing of this petition.

12. On May 20, 2022, the Commission entered an Order approving Duke Energy Florida's request to record electric vehicle direct current fast charger ("DCFC") assets in a newly established Account 370.7 -EV Charging Stations (the "DEF Order").² In the same Order, the

¹ Order No. PSC-2021-0175-CO-EI, entered May 18, 2021 in Docket No. 20200220-EI; *see also* Order No. PSC-2021-0144-PAA-EI.

² *See* Order No. PSC-2022-0183-PAA-EI, issued May 20, 2022 in Docket No. 20220029-EI.

Commission also approved DEF's request to apply a ten-year average service life, zero percent net salvage, and an annual depreciation rate of 10 percent to DCFC stations.³

13. Through this Petition, Tampa Electric requests authority to record the costs of company-owned electric vehicle charging station equipment in a new account entitled "370.10 Electric Vehicle Charging Stations." Tampa Electric proposes applying an average service life of 10 years, net salvage of zero percent, and a depreciation rate of 10 percent to assets included in this account. As explained below, this proposal is consistent with the DEF Order.

14. First, as mentioned above, the Commission found that Account 370 - Meters was appropriate for DEF's charging stations. In reaching this conclusion, the Commission considered that DEF's chargers were initially installed on customer premises as part of a pilot program, and that the stations incorporate a meter that DEF utilizes for its own purposes.⁴ Tampa Electric's Drive Smart Pilot Program stations also include a metering device which is used in part for Tampa Electric's purposes.⁵ Account 370.10 is therefore appropriate for Tampa Electric's charging stations.

15. Second, Tampa Electric proposes use of the same depreciation parameters as DEF, including a ten-year average service life, zero percent net salvage, and an annual depreciation rate of 10 percent.⁶ As the Commission noted in the DEF Order, DEF relied on guidance from the manufacturer of that company's charging stations and the advice of a third-party depreciation consultant that a 10-year average service life is typical for DCFC stations.⁷ Tampa Electric

³ See Order No. PSC-2022-0183-PAA-EI, issued May 20, 2022 in Docket No. 20220029-EI.

⁴ See Order No. PSC-2022-0183-PAA-EI, at 3.

⁵ One of the purposes of the Drive Smart Pilot Program is to collect "a variety of data points" regarding electric vehicle charging, which will provide Tampa Electric with the ability "to understand any potential system planning impacts." Order No. PSC-2021-0144-PAA-EI, at 4.

⁶ Order No. PSC-2022-0183-PAA-EI, at 3.

⁷ Order No. PSC-2022-0183-PAA-EI, at 4.

similarly based its proposed depreciation rate on feedback from the manufacturer of the Drive Smart Pilot Program stations.

16. Tampa Electric also owns some non-Pilot Program electric vehicle charging stations that are sited on company property. These chargers are not accessible to the public and are used for internal company purposes. The company began purchasing these stations in 2019, before the precedent set by the DEF Order. Given their location and their primary use, Tampa Electric recorded these charging stations in existing Account 394.00 Tool Shop & Garage Equipment, which utilizes a seven-year average service life.

17. Tampa Electric plans to add more of these non-Pilot charging stations on company property. As a result, the company also requests approval to record these non-Pilot chargers in Account 370.10 with the same 10 percent annual depreciation rate. The company believes this accounting treatment is more appropriate than the existing classification in Account 394.00. This approach will also ensure consistent treatment across both types of charging stations owned by the company.

18. Tampa Electric acknowledges that the Commission also approved Florida Power & Light Company's request to record electric vehicle charging stations in Account 371 – Installations on Customer Premises with a 15-year average service life.⁸ Tampa Electric believes that Account 370- Meters is the more appropriate choice given that some of Tampa Electric's charging stations are located on company property. Furthermore, as explained above, Tampa Electric's research indicates that a 10-year average service life is more appropriate for the company's electric vehicle charging stations.

⁸ See Order No. PSC-2021-0446-S-EI, issued December 2, 2021 in Docket No. 20210015-EI, *In re: Petition for rate increases by Florida Power & Light Company*.

19. Based on the above, Tampa Electric requests approval to record all company-owned electric vehicle charging stations in new Account 370.10 Electric Vehicle Charging Stations with an annual depreciation rate of 10 percent.

WHEREFORE, Tampa Electric Company respectfully urges the Commission to approve the new depreciation account and rate for the company's electric vehicle charging stations.

DATED this 11th day of August 2023.

Respectfully submitted,



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