



July 31, 2024

ELECTRONIC FILING

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

In re: Petition for Rate Increase by Tampa Electric Company

DOCKET NO. 20240026-EI

In re: Petition for approval of 2023 Depreciation and
Dismantlement Study, by Tampa Electric Company

DOCKET NO. 20230139-EI

In re: Petition to implement 2024 Generation Base Rate
Adjustment provisions in Paragraph 4 of the 2021 Stipulation
and Settlement Agreement, by Tampa Electric Company

DOCKET NO. 20230090-EI

Dear Mr. Teitzman:

Attached for filing on behalf of Tampa Electric Company in the above-referenced docket are clean and redline versions of updated page 11 of the rebuttal testimony of Valerie Strickland and updated VS-2 as discussed in Deposition of Valerie Strickland on July 15, 2024.

Thank you for your assistance in connection with this matter.

Sincerely,

J. Jeffry Wahlen

cc: All parties

JJW/ne
Attachment

1 **A.** No. The ITC amortization calculated by Mr. Kollen does
2 not consider the correct start date of amortization which
3 begins the month following the placed in-service date of
4 the asset. Mr. Kollen assumed a half year amortization
5 convention using the amounts of ITC disclosed on MFR
6 Schedule B-23. Additionally, some new additions in 2024,
7 although not material, include solar lighting assets
8 subject to normalization and amortized over 30 years for
9 the test year (35 years in 2023 and 2024). If the
10 Commission agrees with Mr. Kollen on this adjustment,
11 Document No. 1 of my rebuttal exhibit shows that the
12 revenue requirement decrease should be \$10,~~850,000~~196,856
13 compared to his proposed \$12,607,000 for a difference of
14 \$1,757,000.

15
16 **Q.** If the Commission approves OPC's proposal to amortize
17 deferred ITC for energy storage devices over three years,
18 are the amounts of Mr. Kollen's adjustment to the
19 company's 2026 and 2027 SYA correct?

20
21 **A.** No. In Document No. 2 of my rebuttal testimony, we
22 recalculated the amount using a three-year amortization
23 period and concluded that the reduction in the revenue
24 requirement would be \$~~3,767,845~~5,113,440 compared to the
25 \$2,792,228 proposed by Mr. Kollen.

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25 \$2,792,228 proposed by Mr. Kollen.

3-year life- Battery Storage ITC-2025 test year

Tampa Electric Company

2025 Budget Additions that Qualify for ITC

As amended Per Jeff Chronister SYA exhibits July 24, 2024

Solar Project	Total	Went In Service	ITC 30% /40%
Wimauma Battery Storage	50,709,000	February	15,212,700
Lake Mabel Battery Storage	54,457,495	January	16,337,249
MacDill/South Tpa Battery Storage- 40% ITC	31,032,733	December	12,413,093
	85,490,229		28,750,342
Big Bend II Flow Battery Storage	4,834,658	December	1,450,397
Total Battery Storage	141,033,886		45,413,439
Total ITC	141,033,886		45,413,439

Deferred ITC - Battery Storage	Amortiz years	Annually	2025
Wimauma	10	1,521,270	1,267,725
Lake Mabel	10	1,633,725	1,497,581
South Tampa	10	1,241,309	-
BB II flow	10	145,040	-
		4,541,344	2,765,306

OPC Proposal - 3-yr Amort.

Deferred ITC - Battery Storage	Amortiz years	Annually	2025
	3	5,070,900	4,225,750
	3	5,445,750	4,891,937
	3	4,137,698	-
	3	483,466	-
		15,137,813	9,217,687

2025 Change in 2025 ITC Amortization (6,452,381)
 2025 Change in 2024 ITC Amortization (1,278,900)
(7,731,281)

Revenue Expansion Factor 1.34364
 Revenue Requirement Decrease (10,388,058)
 Jurisdictional Factor 0.981594
 Revenue Requirement Decrease **(10,196,856)**

TAMPA ELECTRIC COMPANY
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Tampa Electric Company

2024 Budget Additions that Qualify for ITC

Solar Project	Total	Went In Service	ITC 30%
Battery 15MW Dover	18,270,000	September	5,481,000
Total ITC	18,270,000		5,481,000

Per MFR / Rate Case Submission

Deferred ITC - Battery Storage	Amortiz years	Annually	2024
5,481,000	10	548,100	137,025
-	10	-	September
-	10	-	
5,481,000		548,100	137,025

Per OPC - 3-yr Amort.

Deferred ITC - Battery Storage	Amortiz years	Annually
5,481,000	3	1,827,000
-	3	-
-	3	-
5,481,000		1,827,000

2024 Change in 2025 ITC Amortization (1,278,900)

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3-year life- Battery Storage ITC- SYA 2026 and 2027

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Tampa Electric
 ITC Calculations
 Energy Storage

As revised - 10 year Per Jeff Chronister revised SYA Exhibits July 24, 2024

	2025					Prorated for In-					Revenue Requirement Impact
	Cost	ITC %	ITC	Years	Annual ITC	Service	NOI Impact	NOI Multiplier	NOI Multiplier	Revenue Requirement Impact	
Wimauma	50,709,000	30.00%	15,212,700	10	1,521,270	83.33%	1,267,725	1.34364	1.34364	1,703,366	
Lake Mabel	54,457,495	30.00%	16,337,249	10	1,633,725	91.67%	1,497,581	1.34364	1.34364	2,012,210	
South Tampa	31,032,733	40.00%	12,413,093	10	1,241,309	0.00%	-	1.34364	1.34364	-	
Totals			43,963,042		4,396,304		2,765,306			3,715,576	

	2026					Prorated for In-					Revenue Requirement Impact
	Cost	ITC %	ITC	Years	Annual ITC	Service	NOI Impact	NOI Multiplier	NOI Multiplier	Revenue Requirement Impact	
Wimauma	50,709,000	30.00%	15,212,700	10	1,521,270	100.00%	1,521,270	1.34364	1.34364	2,044,039	
Lake Mabel	54,457,495	30.00%	16,337,249	10	1,633,725	100.00%	1,633,725	1.34364	1.34364	2,195,138	
South Tampa	31,032,733	40.00%	12,413,093	10	1,241,309	100.00%	1,241,309	1.34364	1.34364	1,667,873	
Totals			43,963,042		4,396,304		4,396,304			5,907,050	

2026 SYA - Incremental Impact **2,191,474**

7,304,914 OPC Proposal-3 year life 2026 SYA
 2,191,474 As revised per company in modified SYA
 (5,113,440) Revenue requirement reduction 3 years vs 10 years

	2027					Prorated for In-					Revenue Requirement Impact
	Cost	ITC %	ITC	Years	Annual ITC	Service	NOI Impact	NOI Multiplier	NOI Multiplier	Revenue Requirement Impact	
Wimauma	50,709,000	30.00%	15,212,700	10	1,521,270	100.00%	1,521,270	1.34364	1.34364	2,044,039	
Lake Mabel	54,457,495	30.00%	16,337,249	10	1,633,725	100.00%	1,633,725	1.34364	1.34364	2,195,138	
South Tampa	31,032,733	40.00%	12,413,093	10	1,241,309	100.00%	1,241,309	1.34364	1.34364	1,667,873	
Totals			43,963,042		4,396,304		4,396,304			5,907,050	

2027 SYA - Incremental Impact -

Tampa Electric
ITC Calculations
Energy Storage

This scheduled was recalculated using a 3 year life as proposed by OPC

	2025									
	Cost	ITC %	ITC	Years	Annual ITC	Prorated for In-Service	NOI Impact	NOI Multiplier	Revenue Requirement Impact	
Wimauma	50,709,000	30.00%	15,212,700	3	5,070,900	83.33%	4,225,750	1.34364	5,677,887	
Lake Mabel	54,457,495	30.00%	16,337,249	3	5,445,750	91.67%	4,991,937	1.34364	6,707,366	
South Tampa	31,032,733	40.00%	12,413,093	3	4,137,698	0.00%	-	1.34364	-	
Totals			43,963,042		14,654,347		9,217,687		12,385,253	

	2026									
	Cost	ITC %	ITC	Years	Annual ITC	Prorated for In-Service	NOI Impact	NOI Multiplier	Revenue Requirement Impact	
Wimauma	50,709,000	30.00%	15,212,700	3	5,070,900	100.00%	5,070,900	1.34364	6,813,464	
Lake Mabel	54,457,495	30.00%	16,337,249	3	5,445,750	100.00%	5,445,750	1.34364	7,317,127	
South Tampa	31,032,733	40.00%	12,413,093	3	4,137,698	100.00%	4,137,698	1.34364	5,559,576	
Totals			43,963,042		14,654,347		14,654,347		19,690,167	

2026 SYA - Incremental Impact									
2027									
Cost	ITC %	ITC	Years	Annual ITC	Prorated for In-Service	NOI Impact	NOI Multiplier	Revenue Requirement Impact	
Wimauma	50,709,000	30.00%	15,212,700	3	5,070,900	100.00%	5,070,900	1.34364	6,813,464
Lake Mabel	54,457,495	30.00%	16,337,249	3	5,445,750	100.00%	5,445,750	1.34364	7,317,127
South Tampa	31,032,733	40.00%	12,413,093	3	4,137,698	100.00%	4,137,698	1.34364	5,559,576
Totals			43,963,042		14,654,347		14,654,347		19,690,167

2027 SYA - Incremental Impact									
-									