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Public Service Commission

March 4, 2013

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COMMISSION  
CLERK

Ausley & McMullen  
James D. Beasley/J. Jeffrey Wahlen  
Post Office Box 391  
Tallahassee, FL 32302

STAFF'S FOURTH  
DATA REQUEST

RE: Docket No. 130024-EI – Petition for expedited approval of asset optimization incentive mechanism, by Tampa Electric Company.

Dear Messrs. Beasley and Wahlen:

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

GPIF Potential Conflict questions

1. Please state and explain whether the existence of the incentive mechanism will change or affect Tampa Electric's dispatch model including whether it would affect the threshold.
2. Please refer to staff's First Data Request number 11 and staff's Third Data Request number 6(b). State and explain whether the loss of a base load unit increases the system price of electricity.
3. Please state and explain whether Tampa Electric can remove the savings on short-term purchases that accrue during an unplanned outage of a base load unit.
4. Please state and explain whether Tampa Electric is able to identify and attribute the short term purchased power associated with an unplanned outage at a base load unit. Is the system able to identify this in hours?

A7 Long-term Purchase Contracts – How will these be a part of the incentive mechanism

5. Please refer to staff's First Data Request number 5, and staff's Third Data Request number 2. State whether the only involvement of long-term purchased power contracts, such as are reported on Schedule A7 in the incentive mechanism, will be for reselling power short-term for gains. Please explain.

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6. Regarding A7 purchases, please explain whether Tampa Electric intends to resell from long-term purchased power contracts. If so, how will that work?
7. Regarding A7 savings, please explain whether Tampa Electric intends to calculate “savings” based on A7 purchases? Since these contracts are part of Tampa Electric’s long-term planning, why would A7 purchases be calculated as “savings”?
8. Please refer to staff’s First Data Request number 7, and staff’s Third Data Request number 3(b). State whether the jurisdictional separation factor for base rates or any of the clauses will be affected by any of the transactions contemplated for the incentive mechanism.

Transactions between IOUs having incentive mechanisms

9. Please state the manner in which the incentive mechanism would affect power sales and purchase transactions between FPL and Tampa Electric, if this petition is approved.
10. Considering all incentive mechanism functions, please explain transactions between utilities that have been approved for an incentive mechanism. As part of the explanation, please describe any potential conflicts.

Incentive Mechanism Transactions, Risks, and Costs

11. Please refer to staff’s First Data Request number 51 and to staff’s Second Data Request number 12(a). For a transaction that would occur as part of the incentive mechanism, if approved, could Tampa Electric experience a loss from one of these transactions? Please explain.
12. Please refer to staff’s First Data Request number 55. Please explain your response that “only if there are sufficient total gains to equal the amount of O&M costs incurred.”

Reporting - Please note that staff needs more detail for the Asset Optimization column on the sample Total Gains schedule. In addition, staff requests that, if the petition is approved, Tampa Electric provide monthly schedules for all incentive mechanism functions with the A Schedules, including incremental costs.

13. Please refer to staff’s First Data Request number 26 and staff’s Third Data Request number 8. Will Tampa Electric be able to provide a breakdown of gains/savings for each function?
14. Please refer to staff’s Third Data Request number 6(c) and staff’s Second Data Request numbers 2 and 3. Please state Tampa Electric’s guidelines for retaining records, specifically as discussed, records of telephone communications.

General

15. What would cause this incentive mechanism, if approved, to end sooner than the two year trial?

Please file the original and five copies of the requested information by Thursday March 7, 2013, with Ms. Ann Cole, Commission Clerk, Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0850. Feel free to call me at (850) 413-6212 if you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'M. Barrera', written in a cursive style.

Martha F. Barrera  
Senior Attorney

MFB/nah

cc: Office of Commission Clerk  
J.R. Kelly/P. Christensen, Office of Public Counsel  
Paula K. Brown, Tampa Electric Company