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STATE OF FLORIDA



DIVISION OF ENGINEERING
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Public Service Commission

September 7, 2017

Mr. James D. Beasley
Tampa Electric Company
Post Office Box 391
Tallahassee, FL 32302
jbeasley@ausley.com

STAFF'S FIRST DATA REQUEST VIA EMAIL & US MAIL

RE: Docket No. 20170168-EI - Petition of Tampa Electric Company for Approval of Second Phase of its CCR Program for Cost Recovery.

Dear Mr. Beasley:

Commission staff has reviewed the Petition filed in Docket No. 20170168-EI filed by Tampa Electric Company and requests the following information from the Company. Please provide this information to the Office of Commission Clerk, 2540 Shumard Oak Blvd., Tallahassee, FL 32399-0850, by **September 27, 2017**.

The following questions are related to the Big Bend Economizer Ash & Pyrites Pond (EAPP) Closure project, or the second phase of TECO's approved CCR Program. This project is discussed in TECO's Preliminary List of New Projects (New List), filed on July 7, 2017, and TECO witness Carpinone's projection-related direct testimony filed on September 1, 2017, in Docket No. 20170007-EI, as well as the cost recovery petition (Petition) TECO filed on July 28, 2017, in Docket No. 20170186-EI.

1. Please specify when TECO started, or will start, to actually incur the cost associated with the EAPP Closure project discussed in the Petition.
2. In its New List, TECO indicated that the Company will incur compliance costs of the EAPP project in 2017 and beyond. In its Petition, Page 3, TECO indicated that it will include 2017 costs "in its actual/estimated forecast and final annual true-up for beginning cost recovery in 2018 factors."
 - a. Please identify the amounts of O&M and capital costs, respectively, of each such project embedded in TECO's 2017 actual/estimated ECRC cost recovery filing.
 - b. Please identify the amounts of O&M and capital costs, respectively, of each such project embedded in TECO's 2017 ECRC projection filing.
 - c. Please confirm that the "final annual true-up" mentioned in Item 5 of the Petition, Page 3, refers to 2017 final annual true-up to be filed in 2018 in the ECRC proceeding.

3. Referring to witness Carpinone's direct testimony, Page 16, line 19 through Page 17, line 2, please explain in detail how the following three closures are related to each other:
 - a. The Big Bend Economizer Ash & Pyrites Pond (EAPP) closure discussed in the New List and the Petition;
 - b. The North and South Economizer Ash impoundments closure discussed in witness Carpinone's direct testimony, Page 16, line 20; and
 - c. The slag pond closure discussed in witness Carpinone's direct testimony, Page 16, line 21.
4. Referring to witness Carpinone's direct testimony, Page 16, line 19 through Page 17, line 2, please identify:
 - a. The Commission order(s) by which the cost recovery associated with the North and South Economizer Ash impoundments closure is approved;
 - b. The total costs, in terms of the O&M and capital, respectively, associated with the North and South Economizer Ash impoundments closure;
 - c. The expected project milestones, as well as the associated costs, of the North and South Economizer Ash impoundments closure project.
5. Referring to witness Carpinone's direct testimony, Page 16, line 19 through Page 17, line 2, please identify:
 - a. The Commission order(s) by which the cost recovery associated with the slag pond closure is approved;
 - b. The total costs, in terms of the O&M and capital, respectively, associated with the slag pond closure;
 - c. The expected project milestones, as well as the associated costs, of the slag pond closure project.
6. Referring to witness Carpinone's direct testimony, Page 16, line 19 through Page 17, line 2, please identify:
 - a. The Commission order(s) which approved the cost recovery associate with the "additional work to be done at the North Gypsum Stackout area" discussed in witness Carpinone's direct testimony, Page 17, lines 1-2.
 - b. The total costs, in terms of the O&M and capital, respectively, associated with the "additional work" discussed in (a.) above;

- c. The expected project milestones, as well as the associated costs, of the “additional work” discussed in (a.) above.
7. Referring to witness Carpinone’s direct testimony, Page 16, line 19 through Page 17, line 2,, and the Petition:
 - a. Please confirm that the cost recovery petitioned in Docket No. 20170168-EI is only related to the EAPP closure. If not, please provide a detailed explanation.
 - b. Please provide a table that separates the cost of TECO’s previous CCR program in Docket 150223-EI from this current docket.
 - c. Please confirm that the EAPP closure project discussed in the Petition will also commence in 2018.
8. Referring to witness Carpinone’s direct testimony, Page 17, lines 22 – 24, please identify each of the cost elements that TECO anticipates for the following:
 - a. \$2,200,000 capital expenditures associated with the EAPP closure project in 2018;
 - b. \$6,125,000 for O&M expenses associated with the EAPP closure project in 2018.
9. Please refer to Item 11 of the Petition, Page 5, for the questions below:
 - a. Please provide a detailed breakdown of the component activities that comprise the estimated \$2,714,800 of O&M costs associated with “Dewatering & Excavation.”
 - b. Please provide a detailed breakdown of the component activities that comprise the estimated \$25,752,000 of O&M costs associated with “CCR Transport & Disposal.”
 - c. Please provide a detailed breakdown of the component activities that comprise the estimated \$116,400 of O&M costs associated with “Post Closure Groundwater Demonstration/Monitoring.”
 - d. Please provide a detailed breakdown of the component activities that comprise the estimated \$400,000 of capital costs associated with “Engineering.”
 - e. Please provide a detailed breakdown of the component activities that comprise the estimated \$1,009,000 of capital costs associated with “Site Restoration.”
 - f. When does TECO expect each of the five types of works listed in Table 1 of the Petition to commence?

- g. Will each of the five types of works listed in Table 1 be completed in-house, or, by outside contractors? If a work type to be contracted out, will TECO be soliciting bids?
10. Referring to the Petition, Page 5, Item 11, please provide response to the following questions:
- a. Has TECO finalized the landfill which can accept the 700,000 cu. yds. of excavated coal combustion residuals (CCRs)? If yes, please identify the landfill. If not, when does TECO expect to enter into a contract for CCR disposal depository (landfill)?
 - b. When does TECO plan to discontinue disposing CCR in EAPP?
 - c. Please explain how the Company will dispose of the CCRs after the time identified in Question 10.b.
11. Referring to the Petition, please provide the expected customer bill impacts that will result from the recovery of the total costs of \$30 million associated with the EAPP closure project annually in 2018 through 2022.
12. Please refer to the Petition, Page 6, Item 13, for the following questions:
- a. Please explain whether the first phase of TECO's CCR Program has been completed.
 - b. For each activity not completed, please identify TECO's estimate of the associated costs and the completion time.
13. Please provide a timeline of the events leading to TECO's determination that the Big Bend Economizer Ash and Pyrites Ponds (EAPP) must be closed?
14. Please refer to paragraph 6 of the Petition. When was the engineering study completed?
15. Please refer to paragraph 6 of the Petition. Please provide a list of the alternatives considered and the estimated costs of each of the alternatives.
16. Please refer to paragraph 9 of the Petition. Please explain what groundwater standards the existing CCR measures violate? What are the estimated costs of the violations?
17. Please refer to paragraph 9 of the Petition. Please provide an estimate of the avoided 30 year post-closure care and monitoring and associated O&M expenses.
18. Please refer to paragraph 10 of the Petition. Please provide the estimates of the cost to bring the unit into compliance.

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19. Please refer to paragraph 11 of the Petition. Do any of the materials removed have any beneficial reuse? And if so, what is their value?
20. Please provide the estimated duration of activities associated with the program.
21. Please provide the estimated annual ECRC and rate impacts that would occur from this closure.

If you have any questions associated with this docket please feel free to contact me at mmtenga@psc.state.fl.us or 850-413-6586 or Phillip Ellis at pellis@psc.state.fl.us or 850-413-6626.

Sincerely,



Moniaishi Mtenga
Engineering Specialist
Division of Engineering
Public Service Commission

MM:pz

cc: Office of Commission Clerk (Docket No. 2017168-EI)