

STATE OF FLORIDA

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Public Service Commission

January 21, 2022

J. Jeffrey Wahlen/
Malcolm N. Means
Ausley McMullen
Post Office Box 391
Tallahassee, FL. 32302
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STAFF'S SECOND DATA REQUEST
VIA EMAIL

RE: Docket No. 20210181 – Petition for approval of depreciation rates for direct current microgrid pilot equipment by Tampa Electric Company.

Dear Mr. Wahlen and Mr. Means:

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

1. Please refer to TECO's response to Staff's First Data Request (DR Response), Nos. 1 – 2, where TECO indicated:
 - CEP generators will be booked to Account 343.98 Prime Movers – DC Microgrid (DR Response to No. 1.b);
 - An initial Average Service Life (ASL) of 30 years will be used, which derives 3.3 percent depreciation rate, for Account 343.98 (DR Response to No. 1.c);
 - The CEP generators' design life is 10, 000 – 15,000 hours (3.4 - 5.1 years); and they have an expected life of is 20-25 years after considering their "stand-by" status (DR Response to No. 2.c).

Please explain why TECO considered to book these generators in Account 343.98 with a 30-year ASL and 3.3 percent depreciation rate, rather than book them in a separate sub-account with a 25-year ASL and 4.0 percent depreciation rate.

2. Please refer to TECO's response to Staff's First Data Request, Nos. 1 and 3, where TECO indicated:
 - Solar panels will be booked to Account 343.98 Prime Movers – DC Microgrid (DR Response to No. 1.b);

- The solar panels used in the Pilot will be booked to 348.98 Energy Storage Equip – DC Microgrid (response to No. 3.a).

Please also refer to Paragraph 15 of TECO's petition in the instant docket, where TECO indicated that

In accordance with the 2021 Agreement, Tampa Electric requests a service life of 35 years for the Pilot rooftop solar assets, or an annual depreciation rate of 2.9 percent.

- a. Please reconcile the afore-mentioned statements and identify the ASL and depreciation rate TECO requested for the solar panel plant assets.
 - b. Please clarify which account will be used to book the solar panels.
3. Please refer to Paragraph 13 of TECO's petition in the instant docket, where TECO indicated that it expects "the Block Energy System will be ready for service by late November or early December 2021." On what date did the Block Energy System go into service?
4. Please refer to Order No. PSC-2021-0237-PAA-EI, page 6, for the questions below:
- a. Please explain whether TECO will pursue DC Microgrid Pilot-related cost recovery in its next base rate proceeding.
 - b. Please explain how the Commission's decision in the instant case will impact TECO's 2021 and/or 2022 general accounting, e.g., yearly earnings.
 - c. Please explain how the Commission's decision in the instant case will impact TECO's 2021 and/or 2022 depreciation accounting.
 - d. Does TECO intend to reflect the petitioned new depreciation sub-accounts, if approved, in its 2021 Annual Depreciation Status Report to be filed in April 2022? Please explain.

Staff's Second Data Request

January 21, 2022

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Please file all responses electronically no later than the close of business on Thursday, February 3, 2022 via the Commission's website at www.floridapsc.com, by selecting the Clerk's Office tab and Electronic Filing Web Form. Please feel free to call me at (850) 413-6218 if you have any questions.

Sincerely,

/s/ Suzanne Brownless

Suzanne Brownless

Senior Attorney

SBr/ds

cc: Office of Commission Clerk