

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Environmental Cost)
Recovery Clause.)
_____)

DOCKET NO. 20220007-EI
FILED: October 7, 2022

**TAMPA ELECTRIC COMPANY'S
PREHEARING STATEMENT**

A. APPEARANCES:

MALCOLM N. MEANS
J. JEFFRY WAHLEN
VIRGINIA L. PONDER
Ausley McMullen
Post Office Box 391
Tallahassee, Florida 32302

On behalf of Tampa Electric Company

B. WITNESSES:

<u>Witness</u>	<u>Subject Matter</u>	<u>Issue #</u>
<u>Direct</u>		
<u>M. Ashley Sizemore</u>	<u>Final true-up for period ending December 31, 2021; estimated true-up for period January 2022 through December 2022; projections for period January 2023 through December 2023</u>	<u>1,2,3,4,5,6,7,8</u>
	<u>Tariff approval</u>	<u>9</u>
<u>Byron T. Burrows</u>	<u>Qualification of environmental activities for ECRC recovery</u>	<u>3</u>

C. EXHIBITS:

<u>Witness</u>	<u>Proffered By</u>	<u>Exhibit No.</u>	<u>Description</u>	<u>Issue #</u>
<u>M. Ashley Sizemore</u>	<u>Tampa Electric</u>	<u>MAS-1</u>	<u>Final Environmental Cost Recovery Commission Forms 42-1A through 42-9A for the period January 2021 through December 2021</u>	<u>1, 4</u>
<u>M. Ashley Sizemore</u>	<u>Tampa Electric</u>	<u>MAS-2</u>	<u>Environmental Cost Recovery Commission Forms 42-1E through 42-9E for the Period January 2022 through December 2022</u>	<u>2, 4</u>
<u>M. Ashley Sizemore</u>	<u>Tampa Electric</u>	<u>MAS-3</u>	<u>Environmental Cost Recovery Forms 42-1P through 42-8P for the Period January 2023 through December 2023</u>	<u>3, 5-9</u>

D. STATEMENT OF BASIC POSITION

Tampa Electric Company's Statement of Basic Position:

The Commission should approve the compliance programs described in the testimony and exhibits of Tampa Electric witnesses Sizemore and Burrows for environmental cost recovery. The Commission should also approve Tampa Electric’s calculation of its environmental cost recovery final true-up for the period January 2021 through December 2021, the actual/estimated environmental cost recovery true-up for the current period January 2022 through December 2022, and the company’s projected ECRC revenue requirement and the company’s proposed ECRC factors for the period January 2023 through December 2023 using the 2021 Settlement Agreement methodology.

E. STATEMENT OF ISSUES AND POSITIONS

Generic Environmental Cost Recovery Issues

ISSUE 1: What are the final environmental cost recovery true-up amounts for the period January 2021 through December 2021?

TECO: The appropriate final environmental cost recovery true-up amount for this period is an over-recovery of \$1,187,656. (Witness: Sizemore)

ISSUE 2: What are the actual/estimated environmental cost recovery true-up amounts for the period January 2022 through December 2022?

TECO: The actual/estimated environmental cost recovery true-up amount for the period is an over-recovery of \$5,382,902. (Witness: Sizemore)

ISSUE 3: What are the projected environmental cost recovery amounts for the period January 2023 through December 2023?

TECO: The appropriate amount of environmental costs projected to be recovered for the period January 2023 through December 2023 is \$23,975,951. (Witnesses: Sizemore; Burrows)

ISSUE 4: What are the environmental cost recovery amounts, including true-up amounts, for the period January 2023 through December 2023?

TECO: The total environmental cost recovery amount, including true-up amounts, for the period January 2023 through December 2023 is \$17,417,925 after the adjustment for taxes. (Witness: Sizemore)

ISSUE 5: What depreciation rates should be used to develop the depreciation expense included in the total environmental cost recovery amounts for the period January 2023 through December 2023?

TECO: The depreciation rates used to calculate the depreciation expense for the 2023 environmental cost recovery projection were those agreed to in Tampa Electric's 2021 Settlement Agreement. (Witness: Sizemore)

ISSUE 6: What are the appropriate jurisdictional separation factors for the projected period January 2023 through December 2023?

TECO: Energy: 100.00%
Demand: 100.00% (Witness: Sizemore)

ISSUE 7: What are the appropriate environmental cost recovery factors for the period January 2023 through December 2023 for each rate group?

TECO: The appropriate environmental cost recovery factors are as follows:

<u>Rate Class</u>	<u>Factor (¢/kWh)</u>
RS	0.092
GS, CS	0.090
GSD, SBF	
Secondary	0.084
Primary	0.083
Transmission	0.082
GSLDPR	0.076
GSLDSU	0.075
LS1, LS2	0.066
Average Factor	0.087
(Witness: Sizemore)	

ISSUE 8: What should be the effective date of the new environmental cost recovery factors for billing purposes?

TECO: The factors should be effective beginning with the specified environmental cost recovery cycle and thereafter for the period January 2023 through December 2023. Billing cycles may start before January 1, 2023 and the last cycle may be read after December 31, 2023, so that each customer is billed for twelve months regardless of when the adjustment factors became effective. These charges shall continue in effect until modified by subsequent order of this Commission. (Witness: Sizemore)

ISSUE 9: Should the Commission approve revised tariffs reflecting the environmental cost recovery amounts and environmental cost recovery factors determined to be appropriate in this proceeding?

TECO: Yes. (Witness: Sizemore)

ISSUE 10: Should this docket be closed?

TECO: Yes.

F. STIPULATED ISSUES

TECO: None at this time.

G. MOTIONS

TECO: None at this time.

H. PENDING REQUEST OR CLAIMS FOR CONFIDENTIALITY

TECO: None at this time.

I. OBJECTIONS TO WITNESS' QUALIFICATIONS AS EXPERT

TECO: Tampa Electric has no objections to any witness' qualifications as an expert in this proceeding.

J. REQUEST FOR SEQUESTRATION OF WITNESSES

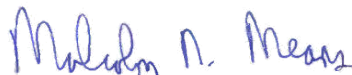
TECO: Tampa Electric does not request the sequestration of any witnesses at this time.

K. COMPLIANCE WITH PREHEARING ORDER NO. PSC-2022-0055-PCO-EI

TECO: Tampa Electric has complied with all requirements of the Order Establishing Procedure entered in this docket.

DATED this 7th day of October 2022.

Respectfully submitted,



J. JEFFRY WAHLEN

jwahlen@ausley.com

MALCOLM N. MEANS

mmeans@ausley.com

VIRGINIA L. PONDER

vponder@ausley.com

Ausley McMullen

Post Office Box 391

Tallahassee, Florida 32302

(850) 224-9115

ATTORNEYS FOR TAMPA ELECTRIC COMPANY

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Prehearing Statement, filed on behalf of Tampa Electric Company, has been furnished by electronic mail on this 7th day of October 2022 to the following:

Mr. Jacob Imig
Ms. Adria Harper
Office of the General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
jimig@psc.state.fl.us
aharper@psc.state.fl.us

Mr. Matthew R. Bernier
Mr. Robert L. Pickels
Ms. Stephanie A. Cuello
Duke Energy Florida, Inc.
106 East College Avenue, Suite 800
Tallahassee, FL 32301-7740
matthew.bernier@duke-energy.com
robert.pickels@duke-energy.com
stephanie.cuello@duke-energy.com

Ms. Dianne M. Triplett
Duke Energy Florida, Inc.
299 First Avenue North
St. Petersburg, FL 33701
dianne.triplett@duke-energy.com
FLRegulatoryLegal@duke-energy.com

Ms. Maria Moncada, Senior Attorney
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408-0420
maria.moncada@fpl.com

Mr. Kenneth Hoffman
Vice President, Regulatory Relations
Florida Power & Light Company
215 South Monroe Street, Suite 810
Tallahassee, FL 32301-1858
ken.hoffman@fpl.com

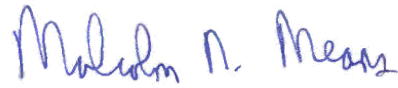
Richard Gentry
Patricia Christensen
Charles J. Rehwinkel
Stephanie Morse
Steven Baird
Office of Public Counsel
111 West Madison Street – Room 812
Tallahassee, FL 32399-1400
gentry.richard@leg.state.fl.us
christensen.patty@leg.state.fl.us
rehwinkel.charles@leg.state.fl.us
morse.stephanie@leg.state.fl.us
baird.steven@leg.state.fl.us

Mr. Jon C. Moyle, Jr.
Moyle Law Firm
118 N. Gadsden Street
Tallahassee, FL 32301
jmoyle@moylelaw.com
mqualls@moyle.law.com

Mr. James W. Brew
Ms. Laura W. Baker
Stone Mattheis Xenopoulos & Brew, PC
1025 Thomas Jefferson Street, NW
Eighth Floor, West Tower
Washington, D.C. 20007-5201
jbrew@smxblaw.com
lwb@smxblaw.com

Corey Allain
Nucor Steel Florida, Inc.
22 Nucor Drive
Frostproof, FL 33843
corey.allain@nucor.com

Mr. Peter J. Mattheis
Mr. Michael K. Lavanga
Mr. Joseph R. Briscar
Stone Law Firm
1025 Thomas Jefferson St., NW
Suite 800 West
Washington, DC 20007-5201
mkl@smxblaw.com
pjm@smxblaw.com
jrb@smxblaw.com



ATTORNEY