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# Public Service Commission

April 2, 2024

Malcom N. Means, Esq.  
Ausley McMullen  
Post Office Box 391  
Tallahassee, FL 32302  
mmeans@ausley.com

**STAFF'S THIRD DATA REQUEST**  
*via e-mail*

**Re: Docket No. 20230139-EI – Petition for approval of 2023 depreciation and dismantlement study, by Tampa Electric Company.**

Dear Mr. Means:

Please refer to Tampa Electric Company's (TECO) 2023 Depreciation and Dismantlement Study (2023 Study) and TECO's Response to Staff's First Data Request (1<sup>st</sup> DR Response) for the depreciation-related questions bellow.

1. Referring to page 10 of the 1<sup>st</sup> DR Response, No. 4, regarding Account 311.00:
  - a. Please explain how the "Avg. Life," on column (3), was determined for the vintage years, e.g., 1970 and 1973.
  - b. Please explain how the "Rate," on column (4), was calculated for a vintage, e.g., 1973.
  - c. Please clarify the meaning of the "EXP," on column (6), and explain how its value was derived for the vintage year 1973.
  - d. Please specify the meaning of the "Factor," on column (7), and explain how its value was determined for the vintage year 1973.
  - e. Please specify what the "Amount," on column (8), represents for, and explain how this "Amount" is related to the values on the respective columns (2) through (7) for the vintage year 1973 and the net salvage percentage (negative 5 percent for Account 311.00).
  - f. Please provide the calculation formula corresponding to each column, (3)-(8).

2. Referring to page 131 of the 1<sup>st</sup> DR Response, No. 12(c), regarding solar facilities' anticipated operational lifespan, please identify the "other utilities."
3. TECO's 2023 Study, Bates Stamped Page 400, indicates "Tampa Electric plans to expand its energy storage capacity . . . with the anticipation of creating new energy storage accounts in both transmission and distribution sectors."

TECO's 1<sup>st</sup> DR Response, No. 14(b), reads "the majority of the energy storage capacity expansion will be included in the production account 348. As the utilization of energy storage continues to grow, the company does anticipate using energy storage equipment in accounts 351 and 363 to regulate transmission and distribution lines in the future."

Please specify the anticipated "new energy storage accounts" TECO discussed in the 2023 Study and explain when TECO will file a petition for approval of the establishment of these new accounts.

4. Referring to pages 139-141 of the 1<sup>st</sup> DR Response, No. 20, for the questions below:
  - a. Please define the acronym "DGA" used in 1<sup>st</sup> DR Response, No. 20(c).
  - b. The 1<sup>st</sup> DR Response, No. 20(d) reads "Starting in 2025, Tampa Electric will start proactively replacing 1-2 transformers per year." Please identify the total number of transformers contained in Accounts 353.00 and 362.00.
  - c. The 2023 Study defines "GSU," on Bates Stamped Page 474, as "Generator Set Up." Does the use of the acronym "GSU" in 1<sup>st</sup> DR Response, No. 20(e), also mean "Generator Set Up?" If not, please define GSU.

5. Referring to pages 142-146 of the 1<sup>st</sup> DR Response, No. 21, for the questions below:

- a. Please define the acronym "NESC" used in 1<sup>st</sup> DR Response, No. 21(a).
- b. In its 1<sup>st</sup> DR Response, No. 21(f), TECO provides:

	2022	2023	Total
Total Price per Pole	\$10,054	\$9,497	\$9,839

Please identify the average dollar amount of the overhead cost contained in the "Total Price per Pole" for 2022 and 2023, respectively. Please also explain what the \$9,839 of "Total" represents.

- c. In its 1<sup>st</sup> DR Response, No. 21(h), TECO provides:

Account 364	2020	2021	2022	2023	2024	2025	2026	2027	2028	Total
Additions	-	1,256,201	2,165,232	44,554,781	28,333,105	29,988,470	30,489,700	29,996,668	29,993,020	<b>196,777,175</b>
Retirements	-	(300,774)	(498,807)	(10,247,589)	(6,516,614)	(6,897,348)	(7,012,631)	(6,899,234)	(6,898,395)	<b>(45,271,391)</b>

Please identify the reason(s) of the significant 2023 increases in the plant additions and plant retirements in Account 364.00 – Poles, Towers and Fixtures.

6. Referring to pages 147-150 of the 1<sup>st</sup> DR Response and its attachment “(BS 3) #1\_AS DR 2024 Projected - Corrected.xlsx” for the questions below concerning Account 358.00 – Underground Conductors and Devices:
- a. TECO’s currently approved net salvage (NS) for Account 358.00 is zero percent and its proposed NS in the 2023 Study is negative 20 percent. Given that “[s]ince 2001, there have only been three transaction years with recorded retirements [in Account 358.00]” (1<sup>st</sup> DR Response, No. 21(e)) and “the estimate for underground distribution conductor is (15) percent” (1<sup>st</sup> DR Response, No. 22(f)), please explain why TECO did not propose a NS of negative 15 percent for Account 358.00 which would be better to reflect the overall historical data and the concept of gradualism.
  - b. Regarding the 2022 Cost of Removal (COR) recorded in Account 358.00, TECO explained in the 1<sup>st</sup> DR Response, No. 22(j), that “[t]his is a discrepancy in the reporting that will be corrected in March 2024.” Staff notes that this anticipated correction is not included in “(BS 3) #1\_AS DR 2024 Projected - Corrected.xlsx,” Tab B-09 2024. Please explain when, and in which docket or undocketed file, TECO will provide the anticipated correction for the Commission review.
  - c. Regarding the 2023 COR recorded in Account 358.00, TECO explained in the 1<sup>st</sup> DR Response, No. 22(k), that “[t]his is a discrepancy in the reporting that will be corrected in March 2024.” Staff notes that this anticipated correction is not included in “(BS 3) #1\_AS DR 2024 Projected - Corrected.xlsx,” Tab B-09 2024. Please explain when, and in which docket or undocketed file, TECO will provide the anticipated correction for the Commission review.

Please file all responses electronically no later than **Tuesday, April 30, 2024**, through the Commission’s website at [www.floridapsc.com](http://www.floridapsc.com) by selecting the Clerk’s Office tab and Electronic Filing Web Form. In addition, please e-mail the filed response to [discovery-gcl@psc.state.fl.us](mailto:discovery-gcl@psc.state.fl.us) and add this e-mail address on the service list block associated with the PSC attorneys assigned to this docket. Feel free to call me at (850) 413–6212 if you have any questions.

Sincerely,

/s/ Carlos Marquez

**Carlos M. Marquez II, Esq.**

Senior Attorney

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CMM/lt

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