

AUSLEY & MCMULLEN

ATTORNEYS AND COUNSELORS AT LAW

123 SOUTH CALHOUN STREET
P.O. BOX 391 (ZIP 32302)
TALLAHASSEE, FLORIDA 32301
(850) 224-9115 FAX (850) 222-7560

September 26, 2014

VIA: ELECTRONIC FILING

Ms. Carlotta S. Stauffer
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

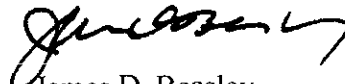
Re: Environmental Cost Recovery Clause
FPSC Docket No. 140007-EI

Dear Ms. Stauffer:

Attached for filing in the above docket is the original of Tampa Electric Company's Prehearing Statement.

Thank you for your assistance in connection with this matter.

Sincerely,


James D. Beasley

JDB/pp
Attachment

cc: All Parties of Record (w/attachment)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 140007-EI
FILED: September 26, 2014

**TAMPA ELECTRIC COMPANY'S
PREHEARING STATEMENT**

A. APPEARANCES:

JAMES D. BEASLEY
J. JEFFRY WAHLEN
ASHLEY M. DANIELS
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>Issues</u>
(Direct)		
1. Penelope A. Rusk (TECO)	Final true-up for period ending December 31, 2013; estimated true-up for period January 2014 through December 2014; projections for period January 2015 through December 2015	1, 2, 3, 4, 5, 6, 7, 8
2. Paul L. Carpinone (TECO)	Qualification of environmental activities for ECRC recovery	3

C. EXHIBITS:

<u>Exhibit</u>	<u>Witness</u>	<u>Description</u>
<u> </u> (HTB-1) *	Rusk	Final Environmental Cost Recovery Commission Forms 42-1A through 42-9A for the period January 2013 through December 2013
<u> </u> (PAR-1)	Rusk	Environmental Cost Recovery Commission Forms 42-1E through 42-9E for the Period January 2014 through December 2014
<u> </u> (PAR-2)	Rusk	Forms 42-1P through 42-8P Forms for the January 2015 through December 2015

* Witness Rusk adopts the prefiled testimony and Exhibit No. ____ (HTB-1) of Howard T. Bryant.

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 Rusk and Carpinone 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 2013 through December 2013, the actual/estimated environmental cost recovery true-up for the current period January 2014 through December 2014, and the company's projected ECRC revenue requirement and the company's proposed ECRC factors for the period January 2015 through December 2015.

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 2013 through December 2013?

TECO: The appropriate final environmental cost recovery true-up amount for this period is an over-recovery of \$1,957,072. (Witness: Rusk)

ISSUE 2: What are the actual/estimated environmental cost recovery true-up amounts for the period January 2014 through December 2014?

TECO: The estimated environmental cost recovery true-up amount for the period is an over-recovery of \$6,935,676. (Witness: Rusk)

ISSUE 3: What are the projected environmental cost recovery amounts for the period January 2015 through December 2015?

TECO: The appropriate amount of environmental costs projected to be recovered for the period January 2015 through December 2015 is \$84,406,505. (Witnesses: Rusk; Carpinone)

ISSUE 4: What are the environmental cost recovery amounts, including true-up amounts, for the period January 2015 through December 2015?

TECO: The total environmental cost recovery amount, including true-up amounts, for the period January 2015 through December 2015 is \$75,568,127 after the adjustment for taxes. (Witness: Rusk)

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 2015 through December 2015?

TECO: The depreciation rates used to calculate the depreciation expense shall be the rates that are in effect during the period the allowed capital investment is in service. (Witness: Rusk)

ISSUE 6: What are the appropriate jurisdictional separation factors for the projected period January 2015 through December 2015?

TECO: The appropriate jurisdictional separation factor for Tampa Electric is 1.0000000. (Witness: Rusk)

ISSUE 7: What are the appropriate environmental cost recovery factors for the period January 2015 through December 2015 for each rate group?

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

<u>Rate Class</u>	<u>Factor (¢/kWh)</u>
RS	0.408

GS, TS	0.407
GSD, SBF	
Secondary	0.405
Primary	0.401
Transmission	0.397
IS	
Secondary	0.397
Primary	0.393
Transmission	0.389
LS1	0.401
Average Factor	0.406

(Witness: Rusk)

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 environment cost recovery cycle for the period January 2015 through December 2015. Billing cycles may start before January 1, 2015, and the last cycle may be read after December 31, 2015, so that each customer is billed for 12 months regardless of when the adjustment factors became effective. (Witness: Rusk)

Company Specific Environmental Cost Recovery Issues

Tampa Electric Company (TECO)

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 AN EXPERT

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

J. STATEMENT OF COMPLIANCE WITH ORDER ESTABLISHING PROCEDURE

TECO: There are no requirements of the Order Establishing Procedure with which TECO cannot comply.

DATED this 26th day of September 2014.

Respectfully submitted,



JAMES D. BEASLEY
J. JEFFRY WAHLEN
ASHLEY M. DANIELS
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 copy of the foregoing Prehearing Statement, filed on behalf of Tampa Electric Company has been furnished by electronic mail on this 26th day of September 2014 to the following:

Mr. Charles W. Murphy
Senior Attorney
Office of the General Counsel
Florida Public Service Commission
Room 390R – Gerald L. Gunter Building
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
cmurphy@psc.state.fl.us

M. Patricia Christensen
Associate Public Counsel
Office of Public Counsel
111 West Madison Street – Room 812
Tallahassee, FL 32399-1400
christensen.patty@leg.state.fl.us

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

Mr. John T. Butler
Assistant General Counsel - Regulatory
Florida Power & Light Company
700 Universe Boulevard (LAW/JB)
Juno Beach, FL 33408-0420
john.butler@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

Mr. Gary V. Perko
Hopping Green & Sams, P.A.
Post Office Box 6526
Tallahassee, FL 32314
gperko@hgslaw.com

Mr. Paul Lewis, Jr.
Duke Energy Florida, Inc.
106 East College Avenue, Suite 800
Tallahassee, FL 32301-7740
paul.lewis@duke-energy.com

Mr. John T. Burnett
Ms. Dianne M. Triplett
Duke Energy Florida, Inc.
Post Office Box 14042
St. Petersburg, FL 33733
john.burnett@duke-energy.com
dianne.triplett@duke-energy.com

Mr. Robert L. McGee, Jr.
Regulatory and Pricing Manager
Gulf Power Company
One Energy Place
Pensacola, FL 32520-0780
rlmcgee@southernco.com

Mr. Jeffrey A. Stone
Mr. Russell A. Badders
Mr. Steven R. Griffin
Beggs and Lane
Post Office Box 12950
Pensacola, FL 32591-2950
jas@beggslane.com
rab@beggslane.com
srg@beggslane.com

Mr. David J. Marshall
c/o DeSoto County Generating Company, LLC
1700 Broadway, 35th Floor
New York, New York 10019
dmarshall@LSPower.com

Mr. James W. Brew
Mr. F. Alvin Taylor
Brickfield, Burchette, Ritts & Stone, P.C.
1025 Thomas Jefferson Street, NW
Eighth Floor, West Tower
Washington, D.C. 20007-5201
jbrew@bbrslaw.com
ataylor@bbrslaw.com

Mr. Scheffel Wright
Mr. John T. LaVia, III
Gardner, Bist, Wiener, Wadsworth,
Bowden, Bush, Dee, LaVia & Wright, P.A.
1300 Thomaswood Drive
Tallahassee, FL 32308
Schef@gbwlegal.com
Jlavia@gbwlegal.com

Mr. George Cavros
Southern Alliance for Clean Energy
120 E. Oakland Park Blvd., Suite 105
Fort Lauderdale, FL 33334
george@carvos-law.com



ATTORNEY