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October 6, 2021

VIA: ELECTRONIC FILING

Mr. Adam J. Teitzman
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850


Re: Environmental Cost Recovery Clause
FPSC Docket No. 20210007-EI

Dear Mr. Teitzman:

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

Thank you for your assistance in connection with this matter.

Sincerely,



Malcolm N. Means

MNM/bmp
Attachment

cc: All parties of record (w/attachment)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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

DOCKET NO. 20210007-EI
FILED: October 06, 2021

**TAMPA ELECTRIC COMPANY'S
PREHEARING STATEMENT**

A. APPEARANCES:

JAMES D. BEASLEY
J. JEFFRY WAHLEN
MALCOLM N. MEANS
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. M. Ashley Sizemore (TECO)	Final true-up for period ending December 31, 2020 ; estimated true-up for period January 2021 through December 2021; projections for period January 2022 through December 2022	1, 2, 3, 4, 5, 6, 7, 8
	Tariff approval	9
2. Byron T. Burrows (TECO)	Qualification of environmental activities for ECRC recovery	3

C. EXHIBITS:

<u>Exhibit</u>	<u>Witness</u>	<u>Description</u>
<u>(MAS-1)</u>	Sizemore	Final Environmental Cost Recovery Commission Forms 42-1A through 42-9A for the period January 2020 through December 2020
<u>(MAS-2)</u>	Sizemore	Environmental Cost Recovery Commission Forms 42-1E through 42-9E for the Period January 2021 through December 2021
<u>(MAS-3)</u>	Sizemore	Environmental Cost Recovery Forms 42-1P through 42-8P for the Period January 2022 through December 2022
<u>(MAS-4)</u>	Sizemore	Environmental Cost Recovery using the 2021 Settlement Agreement Methodology Forms 42-1P through 42-8P for the Period January 2022 through December 2022

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 2020 through December 2020, the actual/estimated environmental cost recovery true-up for the current period January 2021 through December 2021, and the company's projected ECRC revenue requirement and the company's proposed ECRC factors for the period January 2022 through December 2022 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 2020 through December 2020?
- TECO:** The appropriate final environmental cost recovery true-up amount for this period is an over-recovery of \$4,237,191. (Witness: Sizemore)
- ISSUE 2:** What are the estimated/actual environmental cost recovery true-up amounts for the period January 2021 through December 2021?
- TECO:** The actual/estimated environmental cost recovery true-up amount for the period is an under-recovery of \$4,289,623. (Witness: Sizemore)
- ISSUE 3:** What are the projected environmental cost recovery amounts for the period January 2022 through December 2022?
- TECO:** The appropriate amount of environmental costs projected to be recovered for the period January 2022 through December 2022 is \$26,342,444. (Witnesses: Sizemore; Burrows)
- ISSUE 4:** What are the environmental cost recovery amounts, including true-up amounts, for the period January 2022 through December 2022?
- TECO:** The total environmental cost recovery amount, including true-up amounts, for the period January 2022 through December 2022 is \$26,413,881 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 2022 through December 2022?
- 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 with the exception of Big Bend Fuel Oil Tanks 1 & 2 which were retired in 2016 and are depreciated over a five-year period from the date of retirement. Depreciation rates agreed to in Tampa Electric's 2021 Settlement Agreement, and effective January 1, 2022 were applied to the 2022 projection. (Witness: Sizemore)
- ISSUE 6:** What are the appropriate jurisdictional separation factors for the projected period January 2022 through December 2022?
- TECO:** Energy: 100.00%
Demand: 100.00% (Witness: Sizemore)

ISSUE 7: What are the appropriate environmental cost recovery factors for the period January 2022 through December 2022 for each rate group?

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

<u>Rate Class</u>	<u>Factor (¢/kWh)</u>
RS	0.138
GS, CS	0.135
GSD, SBF	
Secondary	0.130
Primary	0.129
Transmission	0.128
GSLDPR	0.123
GSLDSU	0.120
LS1, LS2	0.113
Average Factor	0.133
(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 2022 through December 2022. Billing cycles may start before January 1, 2022 and the last cycle may be read after December 31, 2022, 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. OTHER MATTERS

TECO: None at this time.

DATED this 6th day of October 2021.

Respectfully submitted,



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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 6th day of October 2021 to the following:

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