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Tampa Electric's Response to Staff's Second
Data Request No. 1

**TAMPA ELECTRIC COMPANY
DOCKET NO. 20210034-EI
STAFF'S SECOND DATA REQUEST
REQUEST NO. 1
BATES PAGES: 1 - 3
FILED: AUGUST 19, 2021**

1. Please refer to TECO's 2021 Stipulation and Settlement Agreement (SA), Exhibit G "Depreciation Calculations," TECO witness Avellan's Direct Testimony and MFR Schedules B-7 and B-9 for the questions below:
 - a. The afore-referenced Direct Testimony, page 30, and the MFR Schedule B-9, page 10 of 30, indicated that the projected 2022 total depreciation amount, when using TECO's originally proposed depreciation rates, is \$493,324,106. However, the SA Exhibit G, page 6, presented that the 2022 depreciation amount is \$488,021,816 under "Original Proposed 2022 Depr Rates." Please explain the difference.
 - b. Specifically for the General Plant Group, the Direct Testimony, page 30, and the MFR Schedule B-9, page 8 of 30, Column (4) on Line 40, indicated that the projected 2022 depreciation accrual amount is \$30,351,000 (or, \$4,986,730 for Vehicles and \$25,364,420 for General which makes the total of \$30,351,150) when using TECO's originally proposed depreciation rates. In contrast, the SA Exhibit G, page 6, indicated that the 2022 depreciation amount for the General Plant Group is \$25,620,467 under "Original Proposed 2022 Depr Rates." Please explain the difference and elaborate on why the Vehicle-related depreciation amount is not included in the SA Exhibit G.
 - c. Referring to SA Exhibit G, page 6, please clarify whether the Vehicle-related depreciation amount is included in the calculated depreciation amount under "Revised Depr Rate 2022 Total," and provide explanation if it is not included.
 - d. MFR Schedule B-7, page 8 of 30, indicated that at the beginning of 2022, General Plant Accounts 39202 "Light Trucks - Energy Delivery" and 39203 Heavy Trucks - Energy Delivery" would have plant balances of \$23,754,000 and 53,940,000, respectively. MFR Schedule B-9, page 8 of 30, indicated that the 2022 "Total Depreciation Accrued" in these accounts would be \$1,926,000 and 2,805,000, respectively. However, these two accounts are not included in the SA Exhibit G "Depreciation Calculations," pages 1-6. Please explain why.

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- A.** a. There is a reconciliation between reserve accruals on MFR Schedule B-9 and depreciation expense on MFR Schedule C-6 in FERC 403, 404 and 406, which the 2021 Stipulation and Settlement Agreement ("2021 Agreement") Exhibit G was designed to support the settlement amount of \$376,000,000.

ARO plant account reserve accruals are balance sheet deferred not expensed. FP&L and Union Hall acquisition adjustment plant account reserve accruals are below the line expensed in FERC 425. ED Transportation L/H Vehicle plant account reserve accruals are an allocation of expense. LED Depreciation Expense is a 373.00 Lighting reserve adjustment that is expensed and recovered through the ECCR clause.

2021 Agreement Exhibit G supports MFR Schedule C-6	= \$488,021,816
MFR Schedule B-9 total reserve accruals	= \$493,324,106
Reconciliation Difference	= (\$ 5,302,290)

MFR Schedule B-9 reverse accruals not included on MFR Schedule C-6	
114.02-FPL Acquisition Adj	= (\$ 41,901)
114.03-Union Hall Acquisition Adj	= (\$ 9,059)
317.00 ARO Costs-Steam	= (\$ 5,014,177)
347.00 ARO Costs-Other	= (\$ 321,687)
374.00 ARO Costs-Distribution	= (\$ 147,003)
399.10 ARO Costs-General	= \$ 10,580)
392.02 ED Trans Equip - L Vehicle	= (\$ 1,925,813)
392.03 ED Trans Equip - H Vehicle	= (\$ 2,804,871)
Subtotal	= (\$ 10,275,090)

MFR Schedule B-9 reserve adjustment included on MFR Schedule C-6	
373.00 Street Light & Signal Sys	= \$ 4,972,800

Reconciliation Difference Explained	= (\$ 5,302,290)
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- b. ED Transportation L/H Vehicle plant account reserve accruals are an allocation of expense not included on MFR Schedule C-6 for depreciation expense.

2021 Agreement Exhibit G supports MFR Schedule C-6	= \$ 25,620,467
MFR Schedule B-9 General Plant Group	= \$ 30,351,000
Reconciliation Difference	= (\$ 4,730,533)

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MFR Schedule B-9 reverse accruals not included on MFR Schedule C-6	
392.02 ED Trans Equip - L Vehicle	= (\$ 1,925,813)
392.03 ED Trans Equip - H Vehicle	= (\$ 2,804,871)
<u>MFR Schedule B-9 rounding in \$ x 1,000</u>	<u>= 151</u>
Reconciliation Difference Explained	= (\$ 4,730,533)

- c. Please see response to a and b above.
- d. Please see response to a and b above.