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Tampa Electric Company's Settlement  
Agreement Tariff Sheets

Document No. 09568-2021

Petition for rate increase by Tampa Electric Company  
DOCKET NO. 20210034-EI  
PRELIMINARY ISSUE LIST  
July 20, 2021

**TEST PERIOD AND FORECASTING**

- ISSUE 1:** Is TECO's projected test period of the 12 months ending December 31, 2022 appropriate?
- ISSUE 2:** Are TECO's forecasts of customers, KWH, and KW by revenue and rate class, for the 2022 projected test year appropriate?
- ISSUE 3:** Are TECO's projected revenues from sales of electricity by rate class at present rates for the 2021 prior year and the projected 2022 test year appropriate?
- ISSUE 4:** What are the appropriate inflation, customer growth, and other trend factors for use in forecasting the 2022 test year budget?

**QUALITY OF SERVICE**

- ISSUE 5:** Is the quality of electric service provided by TECO adequate taking into consideration: a) the efficiency, sufficiency, and adequacy of TECO's facilities provided and the services rendered; b) the cost of providing such services; c) the value of such service to the public; d) the ability of the utility to improve such service and facilities; e) energy conservation and the efficient use of alternative energy resources; and f) any other factors the Commission deems relevant?

**DEPRECIATION AND DISMANTLEMENT STUDY**

- ISSUE 6:** Should the currently approved depreciation rates and provision for dismantlement of TECO be revised?
- ISSUE 7:** If the Commission finds in Issue 6 that depreciation rates and the provision for dismantlement should be revised, what should be the implementation date for new depreciation rates and the provision for dismantlement?
- ISSUE 8:** What are the appropriate depreciation parameters and resulting depreciation rates for each depreciable plant account?

- ISSUE 9:** Based on the application of the depreciation parameters and resulting depreciation rates that the Commission deems appropriate, and a comparison of the theoretical reserves to the book reserves, what, if any, are the resulting imbalances?
- ISSUE 10:** What, if any, corrective reserve measures should be taken with respect to the imbalances identified in Issue 9?
- ISSUE 11:** What is the appropriate annual accrual and reserve for dismantlement?
- ISSUE 12:** What, if any, corrective dismantlement reserve measures should be approved?
- ISSUE 13:** Should the current amortization of investment tax credits (ITCs) and flow back of excess deferred income taxes (EDITs) be revised to reflect the approved depreciation rates?
- ISSUE 14:** Should the Commission approve the total Capital Recovery Schedule associated with TECO's Big Bend Units 1, 2 and 3, the AMR meters, and the dismantlement reserve deficiency for TECO's Big Bend Units 1, 2 and 3?

#### **RATE BASE**

- ISSUE 15:** Has TECO made the appropriate adjustments to remove all non-utility activities from Plant in Service, Accumulated Depreciation, and Working Capital for the 2022 projected test year?
- ISSUE 16:** What is the appropriate amount of plant in service for the 12.6 MW battery energy storage system at Big Bend?
- ISSUE 17:** Has TECO appropriately accounted for the base rate impact of its electric vehicle charging pilot program?
- ISSUE 18:** Is each tranche of TECO's 2021 Future Solar projects reasonable and prudent?
- ISSUE 19:** Is the company's proposed early retirement of portions of Big Bend Units 1 and 2 and all of Big Bend Unit 3 reasonable and prudent? Is the repowering associated with TECO's Big Bend Modernization project reasonable and prudent?

**ISSUE 20:** Is TECO's proposed early retirement of Big Bend Unit 3 in 2023, as compared to 2041, reasonable and prudent?

**ISSUE 21:** Should the Commission approve TECO's proposed Advanced Distribution Management System and associated projects?

**ISSUE 22:** What is the appropriate level of Plant in Service for the 2022 projected test year?

**ISSUE 23:** What is the appropriate level of Accumulated Depreciation for the 2022 projected test year?

**ISSUE 24:** What is the appropriate level of Construction Work in Progress (CWIP) to be included in rate base for the 2022 projected test year?

**ISSUE 25:** What is the appropriate level of Property Held for Future Use for the 2022 projected test year?

**ISSUE 26:** Should an adjustment be made to TECO's requested storm damage reserve, annual accrual, and target level?

**ISSUE 27:** Has TECO properly reflected the net over recoveries or net under recoveries of fuel and conservation expenses in its calculation of Working Capital?

**ISSUE 28:** What is the appropriate level of Working Capital for the 2022 projected test year?

**ISSUE 29:** What is the appropriate level of rate base for the 2022 projected test year?

### **COST OF CAPITAL**

**ISSUE 30:** What is the appropriate amount of accumulated deferred taxes to include in the capital structure for the 2022 projected test year?

**ISSUE 31:** What is the appropriate amount and cost rate for short-term debt to include in the capital structure for the 2022 projected test year?

**ISSUE 32:** What is the appropriate amount and cost rate for long-term debt to include in the capital structure for the 2022 projected test year?

**ISSUE 33:** What is the appropriate amount and weighted cost rate for investment tax credits to include in the capital structure for the 2022 projected test year?

**ISSUE 34:** What is the appropriate amount and cost rate for customer deposits to include in the capital structure for the 2022 projected test year?

**ISSUE 35:** What is the appropriate equity ratio to use in the capital structure for ratemaking purposes for the 2022 projected test year?

**ISSUE 36:** What is the appropriate ROE to use in establishing TECO's revenue requirement?

**ISSUE 37:** What is the appropriate weighted average cost of capital to use in establishing TECO's revenue requirement?

### **NET OPERATING INCOME**

**ISSUE 38:** What is the appropriate level of Total Operating Revenues for the 2022 projected test year?

**ISSUE 39:** Should any adjustments be made to TECO's requested level of generation maintenance expense?

**ISSUE 40:** Has TECO made the appropriate test year adjustments to remove fuel revenues and fuel expenses recoverable through the Fuel Adjustment Clause for the 2022 projected test year?

**ISSUE 41:** Has TECO made the appropriate test year adjustments to remove conservation revenues and conservation expenses recoverable through the Conservation Cost Recovery Clause for the 2022 projected test year?

**ISSUE 42:** Has TECO made the appropriate test year adjustments to remove capacity revenues and capacity expenses recoverable through the Capacity Cost Recovery Clause for the 2022 projected test year?

**ISSUE 43:** Has TECO made the appropriate test year adjustments to remove environmental revenues and environmental expenses recoverable through the Environmental Cost Recovery Clause for the 2022 projected test year?

- ISSUE 44:** Has TECO made the appropriate adjustments to remove all storm hardening revenues and expenses recoverable through the Storm Protection Plan Cost Recovery Clause for the 2022 projected test year?
- ISSUE 45:** Has TECO made the appropriate adjustments to remove all non-utility activities from operating revenues and operating expenses for the 2022 projected test year?
- ISSUE 46:** Should adjustments be made to the allocated costs and charges with affiliated companies for TECO for the 2022 projected test period?
- ISSUE 47:** What is the appropriate amount of TECO's transmission O&M expense for the 2022 projected test year?
- ISSUE 48:** What is the appropriate amount of TECO's distribution O&M expense for the 2022 projected test year?
- ISSUE 49:** What is the appropriate amount of Other Post Employment Benefits expense for the 2022 projected test year?
- ISSUE 50:** What is the appropriate amount of Incentive Compensation Benefits expense for the 2022 projected test year?
- ISSUE 51:** What is the appropriate amount of Salaries and Employee Benefits for the 2022 projected test year?
- ISSUE 52:** Should an adjustment be made to TECO's requested level stock compensation expense for the 2022 projected test year?
- ISSUE 53:** What is the appropriate amount of Pension Expense for the 2022 projected test year?
- ISSUE 54:** Should an adjustment be made to the accrual for the Injuries & Damages reserve for the 2022 projected test year?
- ISSUE 55:** Should any adjustments be made to Directors and Officers Liability Insurance for the 2022 projected test year?

**ISSUE 56:** What is the appropriate amount and amortization period for TECO's rate case expense for the 2022 projected test year?

**ISSUE 57:** Should an adjustment be made to Bad Debt Expense for the 2022 projected test year?

**ISSUE 58:** What is the appropriate level of O&M Expense for the 2022 projected test year?

**ISSUE 59:** What is the appropriate amount of depreciation, amortization, and fossil dismantlement expense for the 2022 projected test year?

**ISSUE 60:** What is the appropriate level of Taxes Other Than Income Taxes for the 2022 projected test year?

**ISSUE 61:** What is the appropriate level of Income Taxes for the 2022 projected test year?

**ISSUE 62:** What is the appropriate level of Total Operating Expenses for the 2022 projected test year?

**ISSUE 63:** What is the appropriate level of Net Operating Income for the 2022 projected test year?

### **REVENUE REQUIREMENTS**

**ISSUE 64:** What are the appropriate revenue expansion factor and the appropriate net operating income multiplier, including the appropriate elements and rates, for TECO for the 2022 projected test year?

**ISSUE 65:** What is the appropriate annual operating revenue increase or decrease for the 2022 projected test year?

### **COST OF SERVICE AND RATES**

**ISSUE 66:** Is TECO's proposed separation of costs and revenues between the wholesale and retail jurisdictions appropriate?

- ISSUE 67:** What is the appropriate cost of service methodology to allocate non-solar production, transmission, and distribution costs to the rate classes?
- ISSUE 68:** What is the appropriate cost of service methodology to allocate solar production costs to the rate classes?
- ISSUE 69:** Should TECO's proposed Minimum Distribution System ("MDS") costing method be approved?
- ISSUE 70:** How should any change in the revenue requirement approved by the Commission be allocated among the customer classes?
- ISSUE 71:** Should TECO's proposed new General Service – Large Demand Primary and Standby – Large Demand Primary rate schedules, including service at subtransmission voltage and time-of-use options, be approved?
- ISSUE 72:** Should TECO's proposed changes to the Non-Standard Meter Service Rider (AMI Opt-out) rates be approved?
- ISSUE 73:** Should the closed Interruptible Service (IS, IST) rate schedules be eliminated and any customers on the interruptible rate schedules be transferred to applicable other rate schedules?
- ISSUE 74:** What are the appropriate service charges?
- ISSUE 75:** What are the appropriate customer charges and should "customer charge" be renamed "basic service charge"?
- ISSUE 76:** What are the appropriate demand charges?
- ISSUE 77:** What are the appropriate energy charges?
- ISSUE 78:** What are the appropriate lighting charges?
- ISSUE 79:** What are the appropriate Standby and Supplemental Service Demand Charges?

**ISSUE 80:** Should the Commission give staff administrative authority to approve tariffs reflecting Commission approved rates and charges?

**ISSUE 81:** What is the appropriate effective date for TECO's revised rates and charges?

**OTHER**

**ISSUE 82:** Should the Commission approve TECO's requested extension of the Optimization Mechanism?

**ISSUE 83:** Should the Commission approve TECO's requested 2023 Generation Base Rate Adjustment mechanism?

**ISSUE 84:** Should the Commission approve TECO's requested 2024 Generation Base Rate Adjustment mechanism?

**ISSUE 85:** Should Tampa Electric's request for a federal corporate income tax adjustment that addresses any change in tax law, during or after the pendency of this proceeding, be approved?

**ISSUE 86:** What is the appropriate level of Excess Accumulated Deferred Income Taxes for the 2022 projected test year?

**ISSUE 87:** Should TECO be required to file, within 90 days after the date of the final order in this docket, a description of all entries or adjustments to its annual report, rate of return reports, and books and records which will be required as a result of the Commission's findings in this rate case?

**ISSUE 88:** Should this docket be closed?