

AUSLEY McMULLEN

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TALLAHASSEE, FLORIDA 32301
(850) 224-9115 FAX (850) 222-7560

May 30, 2018

HAND DELIVERED

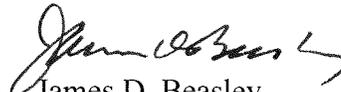
Ms. Virginia Ponder
Associate Public Counsel
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400

Re: Petition for recovery of costs associated with named tropical systems during the 2015, 2016 and 2017 hurricane seasons and replenishment of storm reserve subject to final true-up, by Tampa Electric Company
FPSC Docket No. 20170271-EI

Dear Ms. Ponder:

Enclosed are Tampa Electric Company's answers to Citizens' Second Set of Interrogatories (Nos. 40-48), propounded and served by electronic mail on May 15, 2018.

Sincerely,


James D. Beasley

JDB/pp
Enclosure

cc: All Parties of Record (w/enc.)

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(850) 224-9115 FAX (850) 222-7560

May 30, 2018

VIA: ELECTRONIC FILING

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

Re: Petition for recovery of costs associated with named tropical systems during the 2015, 2016 and 2017 hurricane seasons and replenishment of storm reserve subject to final true-up, by Tampa Electric Company
FPSC Docket No. 20170271-EI

Dear Ms. Stauffer:

Attached for filing in the above docket is Tampa Electric Company's Notice of Service of Answers to Second Set of Interrogatories (Nos. 40-48) of the Citizens of the State of Florida, propounded and served by electronic mail on May 15, 2018.

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: Petition for recovery of cost associated)
with named tropical systems during the)
2015, 2016 and 2017 hurricane seasons and)
replenishment of storm reserve subject to)
final true-up, by Tampa Electric Company.)
_____)

DOCKET NO. 20170271-EI

FILED: May 30, 2018

**TAMPA ELECTRIC COMPANY'S NOTICE OF SERVICE OF
ANSWERS TO SECOND SET OF INTERROGATORIES (NOS. 40-48)
OF THE CITIZENS OF THE STATE OF FLORIDA**

Tampa Electric Company has this date furnished by hand delivery to Virginia Ponder, Associate Public Counsel, Office of Public Counsel, c/o The Florida Legislature, 111 West Madison Street, Room 812, Tallahassee, FL 32399-1400, its Answers to the Citizens of the State of Florida's Second Set of Interrogatories (Nos. 40-48), propounded and served by electronic mail on May 15, 2018.

DATED this 30th day of May 2018.

Respectfully submitted,



JAMES D. BEASLEY
J. JEFFRY WAHLEN
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 and correct copy of the foregoing Notice of Service, filed on behalf of Tampa Electric Company, has been furnished by electronic mail on this 30th day of May 2018 to the following:

Ms. Suzanne S. Brownless
Ms. Danijela Janjic
Senior Attorney
Office of the General Counsel
Florida Public Service Commission
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Tallahassee, FL 32399-0850
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Office of Public Counsel
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Florida Retail Federation
Mr. Robert 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



ATTORNEY

**BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION**

**In re: Petition for recovery of costs associated
with named tropical systems during the 2015,)
2016, and 2017 hurricane seasons and)
replenishment of storm reserve subject to)
final true-up, Tampa Electric Company.)**

**DOCKET NO. 20170271-EI
FILED: MAY 30, 2018**

**TAMPA ELECTRIC COMPANY'S
ANSWERS TO SECOND SET OF INTERROGATORIES (NOS. 40 - 48)
OF
OFFICE OF PUBLIC COUNSEL**

Tampa Electric files this its Answers to Interrogatories (Nos. 40 - 48) propounded and served on May 15, 2018 by the Office of Public Counsel.

TAMPA ELECTRIC COMPANY
DOCKET NO. 20170271-EI
INDEX TO OPC'S SECOND SET OF INTERROGATORIES (NOS. 40 - 48)

<u>Number</u>	<u>Witness</u>	<u>Subject</u>	<u>Bates Stamped Page</u>
40	Chronister	Payroll. For the years 2015-2017, please provide the actual regular payroll amount, by O&M account for that year.	1
41	Chronister	Payroll. For the years 2015-2017, please provide the actual overtime payroll, by O&M account for that year.	2
42	Chronister	<p>Payroll. Refer to the Company's response to OPC's First Interrogatories, No. 20.</p> <p>a. State whether the information provided by the Company was the amount of payroll allowed as part of the base rate proceeding or whether the information provided was the actual payroll dollars for the respective years listed.</p> <p>b. If the information provided was the actual payroll dollars, please provide the amounts allowed as part of the base rate proceedings discussed (the payroll included in base rate filings as approved by the Commission).</p>	3
43	Young Chasse	Replacement Costs. Please refer to the Company's response to OPC's First Interrogatories, No. 10. The response indicates the numbers provided are by month for each storm, however, no month is indicated. Please provide a summary showing the replacements by month.	4
44	Chronister	<p>Capital Costs/Non-Incremental Costs. Refer to the Company's response to OPC's First Interrogatories, No. 5 and 16.</p> <p>a. Does the Company accumulate "all storm related costs" to a plant maintenance order (PMO) (as described in the Company's response to OPC's Interrogatory No. 5) and then reclassify as capital costs, non-incremental costs, or incremental costs to be charged to the reserve?</p> <p>b. If yes, please provide a summary, by storm, of all storm related costs by function, the amount capitalized by function and the amount excluded from recovery because it is incremental so the net cost is the amount charged to the reserve.</p> <p>c. If not, please explain in detail how the capital costs and non-incremental are accounted for</p>	5

		and provide the respective costs by storm district.	
45	Chronister	Regular Payroll. Please refer to the Company's response to OPC's First Interrogatories, Nos. 18 and 21. Please clarify whether the regular payroll costs for Hurricane Irma identified in the response to OPC Interrogatory No. 21 are included in the Company's request for recovery since the Company's response to OPC Interrogatory No. 18 states there are no regular payroll costs being requested for recovery.	6
46	Chronister	Payroll. Refer to the Company's response to OPC's First Interrogatories No. 19. Please explain why the Company charged the bonuses for TS Colin to the reserve since Florida Administrative Code Rule 25-6.0143 states the amounts are to be excluded?	7
47	Young Chasse	Third Party Vendors. Please state whether any third party vendors (i.e. telephone companies or cable companies) have pole attachment agreements with the Company? If yes, please explain whether those agreements provide for any type of reimbursement for storm damage.	8
48	Young Chasse	Third Party Billings. Refer to the Company's response to OPC's First Request for Production of Documents, No. 5. Please explain why Tampa Electric does not charge third-party attachers for replacing poles during storms.	9

Gerard Chasse
Vice President, Electric Delivery

Jeff Chronister
Controller, Accounting

Beth Young
Director, Asset Management & System Planning

Tampa Electric Company
702 N. Franklin Street
Tampa, Florida 33602

**TAMPA ELECTRIC COMPANY
DOCKET NO. 20170271-EI
OPC'S SECOND SET OF
INTERROGATORIES
INTERROGATORY NO. 40
PAGE 1 OF 1
FILED: MAY 30, 2018**

40. Payroll. For the years 2015-2017, please provide the actual regular payroll amount, by O&M account for that year.

A. The table below provides the actual regular payroll amount, by O&M account for the years 2015 through 2017:

Tampa Electric Regular Payroll				
Account	Description	2015	2016	2017
6010110	Labor Exempt ST	41,536,154	40,901,157	43,195,426
6010130	Labor Exempt NonProd	7,031,120	7,570,979	8,208,779
6010210	Labor NonExm ST	8,212,237	7,595,993	8,711,397
6010230	Labor NonExm NonProd	1,587,843	1,488,446	1,714,743
6010310	Labor Union ST	40,471,044	39,269,465	38,252,766
6010330	Labor Union NonProd	8,976,302	8,266,560	7,933,503
6010400	Labor Severance	138,192	36,041	-
6010900	Labor Commissions	201	1,008	239
6010910	Labor OffCycle Bonus	535,061	642,316	822,741
Total		108,488,154	105,771,965	108,839,594

**TAMPA ELECTRIC COMPANY
DOCKET NO. 20170271-EI
OPC'S SECOND SET OF
INTERROGATORIES
INTERROGATORY NO. 41
PAGE 1 OF 1
FILED: MAY 30, 2018**

41. Payroll. For the years 2015-2017, please provide the actual overtime payroll, by O&M account for that year.

A. The table below provides the actual overtime payroll amount, by O&M account for the years 2015 through 2017:

Tampa Electric Overtime Payroll				
Account	Description	2015	2016	2017
6010120	Labor Exempt OT	2,084,805	2,196,999	2,519,455
6010220	Labor NonExm OT	1,588,112	2,083,166	2,146,405
6010320	Labor Union OT	8,962,323	9,591,357	9,513,207
Total		12,635,240	13,871,522	14,179,067

**TAMPA ELECTRIC COMPANY
DOCKET NO. 20170271-EI
OPC'S SECOND SET OF
INTERROGATORIES
INTERROGATORY NO. 42
PAGE 1 OF 1
FILED: MAY 30, 2018**

- 42.** Payroll. Refer to the Company's response to OPC's First Interrogatories, No. 20.
- a. State whether the information provided by the Company was the amount of payroll allowed as part of the base rate proceeding or whether the information provided was the actual payroll dollars for the respective years listed.
 - b. If the information provided was the actual payroll dollars, please provide the amounts allowed as part of the base rate proceedings discussed (the payroll included in base rate filings as approved by the Commission).
- A.**
- a. Tampa Electric provided the actual payroll dollars incurred during 2015 through 2017 in the company's response to OPC's First Interrogatories, No. 20.
 - b. Tampa Electric filed the Minimum Filing Requirement ("MFR") Schedule C-35 that had a total Projected Test Year payroll of \$295.4 million for December 31, 2014 in Florida Public Service Commission ("FPSC") Docket No. 20130040 which was approved by the Commission by Order No. PSC-13-0443-FOF-EI issued September 30, 2013. This Projected Test Year payroll includes not only O&M payroll but also all other payroll, such as capital, other balance sheet and below-the-line.

**TAMPA ELECTRIC COMPANY
DOCKET NO. 20170271-EI
OPC'S SECOND SET OF
INTERROGATORIES
INTERROGATORY NO. 43
PAGE 1 OF 1
FILED: MAY 30, 2018**

43. Replacement Costs. Please refer to the Company's response to OPC's First Interrogatories, No. 10. The response indicates the numbers provided are by month for each storm, however, no month is indicated. Please provide a summary showing the replacements by month.

A. The revised table below provides a summary of the number of poles Tampa Electric replaced by either crews or contractors for each storm including the month in which the replacements took place.

		Hurricane Hermine	Hurricane Matthew	Hurricane Irma
Month - Year poles replaced		September-2016	October-2016	September-2017
Poles	Distribution	22	1	165
	Transmission	0	0	10

**TAMPA ELECTRIC COMPANY
DOCKET NO. 20170271-EI
OPC'S SECOND SET OF
INTERROGATORIES
INTERROGATORY NO. 44
PAGE 1 OF 1
FILED: MAY 30, 2018**

- 44.** Capital Costs/Non-Incremental Costs. Refer to the Company's response to OPC's First Interrogatories, No. 5 and 16.
- a. Does the Company accumulate "all storm related costs" to a plant maintenance order (PMO) (as described in the Company's response to OPC's Interrogatory No. 5) and then reclassify as capital costs, non-incremental costs, or incremental costs to be charged to the reserve?
 - b. If yes, please provide a summary, by storm, of all storm related costs by function, the amount capitalized by function and the amount excluded from recovery because it is incremental so the net cost is the amount charged to the reserve.
 - c. If not, please explain in detail how the capital costs and non-incremental are accounted for and provide the respective costs by storm district.
- A.**
- a. No. Tampa Electric charges the appropriate plant maintenance order ("PMO") at the time the expense is incurred for all storm recoverable expenses, capital expenses and non-incremental O&M expenses. The company's process therefore requires no reclassification of costs that are charged to the reserve.
 - b. Not applicable.
 - c. The detail for how the company's accounts for storm related capital and non-incremental costs are outlined within the Direct Testimony of Jeffrey S. Chronister that was filed on May 21, 2018 with the Commission within Docket No. 20170271-EI. The accounting detail begins on Page 8, line 9 and concludes on Page 15, line 15 of the Direct Testimony. The capital and non-incremental costs are also detailed within the Direct Testimony of Jeffrey S. Chronister as Exhibit No. JSC-1, Document No. 1. Tampa Electric does not track capital and non-incremental costs by storm districts.

**TAMPA ELECTRIC COMPANY
DOCKET NO. 20170271-EI
OPC'S SECOND SET OF
INTERROGATORIES
INTERROGATORY NO. 45
PAGE 1 OF 1
FILED: MAY 30, 2018**

- 45.** Regular Payroll. Please refer to the Company's response to OPC's First Interrogatories, Nos. 18 and 21. Please clarify whether the regular payroll costs for Hurricane Irma identified in the response to OPC Interrogatory No. 21 are included in the Company's request for recovery since the Company's response to OPC Interrogatory No. 18 states there are no regular payroll costs being requested for recovery.
- A.** Tampa Electric is not seeking recovery of base rate recoverable payroll and regular payroll-related costs for the company's managerial and non-managerial personnel in accordance with the Incremental Cost and Capitalization Approach methodology ("ICCA"). The company is seeking recovery of payroll costs that were incurred, that are not recovered through base rates, that supported restoration of Tampa Electric's electrical system.

**TAMPA ELECTRIC COMPANY
DOCKET NO. 20170271-EI
OPC'S SECOND SET OF
INTERROGATORIES
INTERROGATORY NO. 46
PAGE 1 OF 1
FILED: MAY 30, 2018**

- 46.** Payroll. Refer to the Company's response to OPC's First Interrogatories No. 19. Please explain why the Company charged the bonuses for TS Colin to the reserve since Florida Administrative Code Rule 25-6.0143 states the amounts are to be excluded?
- A.** Tampa Electric paid "bonuses" during Tropical Storm ("TS") Colin that were related to extraordinary overtime or performance by company personnel that was incremental to their normal job duties and responsibilities. Since these payments were incremental to any labor costs that would have been part of the company's base rates, the company charged those costs to the storm reserve.

**TAMPA ELECTRIC COMPANY
DOCKET NO. 20170271-EI
OPC'S SECOND SET OF
INTERROGATORIES
INTERROGATORY NO. 47
PAGE 1 OF 1
FILED: MAY 30, 2018**

47. Third Party Vendors. Please state whether any third party vendors (i.e. telephone companies or cable companies) have pole attachment agreements with the Company? If yes, please explain whether those agreements provide for any type of reimbursement for storm damage.

A. Yes, the company has joint use agreements with two incumbent local exchange carrier ("ILEC") pole owners. Each of these agreements does contain language that, if Tampa Electric replaces one of the ILEC poles to which the company is the attacher during a major storm, the company will seek reimbursement for the replacement costs.

ILEC poles that the company attaches to are typically secondary wire that feeds the final service drop to an overhead served customer whereas the company's third-party wire line attachment agreements do not have a storm provision because the third-party are attached to the company's poles.

**TAMPA ELECTRIC COMPANY
DOCKET NO. 20170271-EI
OPC'S SECOND SET OF
INTERROGATORIES
INTERROGATORY NO. 48
PAGE 1 OF 1
FILED: MAY 30, 2018**

- 48.** Third Party Billings. Refer to the Company's response to OPC's First Request for Production of Documents, No. 5. Please explain why Tampa Electric does not charge third-party attachers for replacing poles during storms.
- A.** Third-party attachers attach to Tampa Electric owned poles. If the pole was to fail during the storm, the reason for the pole failure would be due to other reasons than stress (pole loading) related to the third-party's attachment. Because of this, Tampa Electric does not charge third-party attachers for replacing the company's poles during storms.

A F F I D A V I T

STATE OF FLORIDA)
)
COUNTY OF HILLSBOROUGH)

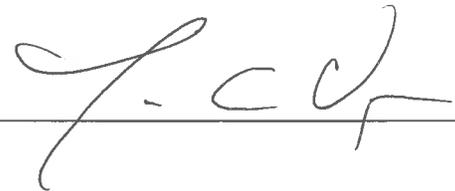
Before me the undersigned authority personally appeared, Mark Roche who deposed and said that he is a Manager, Rates, Tampa Electric Company, and that the individuals listed in Tampa Electric Company's response to OPC's Second Set of Interrogatories, (Nos. 40 - 48) prepared or assisted with the responses to these interrogatories to the best of his information and belief.

Dated at Tampa, Florida this 29 day of May, 2018.



MARK R. ROCHE

Sworn to and subscribed before me this 29th day of May, 2018.



My Commission expires _____

