



March 18, 2025

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

Re: Request to Change AFUDC Rate

Dear Mr. Teitzman.

Tampa Electric Company requests Commission approval to change, effective January 1, 2025, its rate used to account for Allowance For Funds Used During Construction ("AFUDC") from 6.07% to 6.66% calculated as of December 31, 2024, as shown on the attached schedules.

The rate reflects a return on common equity of 10.50% as authorized in Order No. PSC-2025-0038-FOF-EI.

The company will continue to monitor the cost of capital for material change and request a modification of the AFUDC rate as appropriate. Please forward this request to the appropriate staff departments and let me know when this matter is scheduled for approval.

Sincerely,

A handwritten signature in blue ink, appearing to read "Jeffrey S. Chronister", is positioned above the printed name.

Jeffrey S. Chronister  
VP Finance

**TAMPA ELECTRIC COMPANY**  
**Capital Structure Used for AFUDC Calculation**  
**As of December 2024**

**SCHEDULE A**

AFUDC	Adjusted Average Balance	Ratio	Year End Average Cost Rate	Weighted Cost
Long Term Debt	\$ 3,341,184,573	36.54%	4.49%	1.64%
Short Term Debt	251,165,781	2.75%	5.31%	0.15%
Customer Deposits	101,418,669	1.11%	2.36%	0.03%
Common Equity	4,217,106,937	46.12%	10.50%	4.84%
Deferred Income Taxes	1,040,206,740	11.38%	0.00%	0.00%
Tax Credits - Weighted Cost	193,175,080	2.11%	0.00%	0.00%
Total	\$ 9,144,257,781	100.00%		6.66%
				Debt Ratio 27.24%
				Equity Ratio 72.76%

Note: The current AFUDC rate of 6.07% was approved in Order No. PSC-2022-0394-PAA-EI and Docket No. 20220162-EI.

**TAMPA ELECTRIC COMPANY**  
**Capital Structure Adjustments**  
**As of December 2024**

**SCHEDULE B**

<b>AFUDC</b>	<b>Unadjusted Average Balance</b>	<b>+</b>	<b>Specific Adjustments</b>	<b>=</b>	<b>Adjusted Specific Balance</b>	<b>+</b>	<b>Prorata Adjustments</b>	<b>=</b>	<b>Adjusted Prorata Balance</b>	<b>+</b>	<b>Adjusted 54% Equity Ratio</b>	<b>=</b>	<b>Adjusted Average Balance</b>
Long Term Debt	\$ 4,052,125,718		1,793		4,052,127,511		(719,889,150)		3,332,238,361		8,946,212		3,341,184,573
Short Term Debt	315,855,772		(11,246,503)		304,609,269		(54,115,999)		250,493,270		672,511		251,165,781
Customer Deposits	123,328,860		-		123,328,860		(21,910,191)		101,418,669		0		101,418,669
Common Equity	5,125,691,145		14,166,646		5,139,857,791		(913,132,131)		4,226,725,660		(9,618,723)		4,217,106,937
Deferred Income Taxes	1,268,780,113		(3,850,169)		1,264,929,943		(224,723,203)		1,040,206,740		0		1,040,206,740
Tax Credits - Weighted Cost	234,908,929		(873)		234,908,056		(41,732,976)		193,175,080		0		193,175,080
<b>Total</b>	<b>\$ 11,120,690,537</b>		<b>(929,106)</b>		<b>11,119,761,431</b>		<b>(1,975,503,650)</b>		<b>9,144,257,781</b>		<b>(0)</b>		<b>9,144,257,781</b>

**TAMPA ELECTRIC COMPANY**  
**Methodology for Compounding AFUDC Rate**  
**As of December 2024**

**SCHEDULE C**

Time Period	AFUDC Expenditures (\$)	AFUDC Base (\$)	Monthly AFUDC (\$)	Cumulative AFUDC (\$)
1	1.0	1.0000000	<b>0.00538746</b>	0.00538746
2	1.0	1.0053875	0.00541649	0.01080395
3	1.0	1.0108039	0.00544567	0.01624962
4	1.0	1.0162496	0.00547501	0.02172462
5	1.0	1.0217246	0.00550450	0.02722913
6	1.0	1.0272291	0.00553416	0.03276328
7	1.0	1.0327633	0.00556397	0.03832726
8	1.0	1.0383273	0.00559395	0.04392121
9	1.0	1.0439212	0.00562409	0.04954529
10	1.0	1.0495453	0.00565439	0.05519968
11	1.0	1.0551997	0.00568485	0.06088452
12	1.0	1.0608845	0.00571548	<b>0.06660000</b>

**Annual Rate (R) = 0.0666**  
**Monthly Rate =  $((1 + R)^{(1/12)}) - 1 = .00538746 \approx .005387$**