



FILED 3/19/2025
DOCUMENT NO. 01917-2025
FPSC - COMMISSION CLERK

Attorneys and Counselors at Law
123 South Calhoun Street
P.O. Box 391 32302
Tallahassee, FL 32301
P: (850) 224-9115
F: (850) 222-7560
ausley.com

March 19, 2025

VIA: ELECTRONIC FILING

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

Re: Petition for recovery of incremental storm restoration costs associated with tropical systems named by the National Hurricane Center ("NHC") during the 2018 through 2022 hurricane seasons by Tampa Electric Company
Dkt. 20230019-EI

Dear Mr. Teitzman:

Attached for filing on behalf of Tampa Electric Company in the above referenced docket is the Supplemental Direct Testimony and Exhibit of Richard J. Latta.

Thank you for your assistance in connection with this matter.

Sincerely,

A handwritten signature in blue ink that reads 'Malcolm N. Means'.

Malcolm N. Means

MNM/bml
Attachment
cc: All parties of record

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Supplemental Direct Testimony of Richard J. Latta, has been furnished by electronic mail on this 19th day of March, 2025 to the following:

Major Thompson
Ryan Sandy
Office of the General Counsel
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850
mthompso@psc.state.fl.us
rsandy@psc.state.fl.us
discovery-gcl@psc.state.fl.us

Charles Rehwinkel
Mary Wessling
Patricia Christensen
Office of Public Counsel
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400
rehwinkel.charles@leg.state.fl.us
wessling.mary@leg.state.fl.us
christensen@leg.state.fl.us

Derrick Price Williamson
Steven W. Lee
c/o Spilman Law Firm
1100 Bent Creek Blvd., Suite 101
Mechanicsburg, PA 17050
dwilliamson@spilmanlaw.com
slee@spilmanlaw.com

Stephanie U. Eaton
c/o Spilman Law Firm
110 Oakwood Drive, Suite 500
Winston-Salem, NC 27103
seaton@spilmanlaw.com



ATTORNEY



BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

20230019-EI

IN RE: PETITION OF TAMPA ELECTRIC
COMPANY FOR RECOVERY OF COSTS
ASSOCIATED WITH NAMED TROPICAL SYSTEMS
DURING THE 2018 - 2022 HURRICANE SEASONS AND
REPLENISHMENT OF STORM RESERVE

SUPPLEMENTAL DIRECT TESTIMONY AND EXHIBIT
OF

RICHARD J. LATTA

FILED: MARCH 19, 2025

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

PREPARED DIRECT TESTIMONY

OF

RICHARD J. LATTA

I. INTRODUCTION

Q. Please state your name, address, occupation, and employer.

A. My name is Richard J. Latta. My business address is 702 N. Franklin Street, Tampa, Florida 33602. I am employed by Tampa Electric Company ("Tampa Electric" or "the Company") in the Finance Department as Utility Controller.

Q. What is the purpose of your supplemental direct testimony?

A. The purposes of my supplemental direct testimony are 1) to present the total storm restoration costs recovered through the storm restoration surcharge and the calculation of the storm restoration cost true-up amount as required by Order No. PSC-2024-0190-FOF-EI, and 2) to describe the treatment for the company's true-up.

1 Q. Are you sponsoring any exhibits in this proceeding?

2
3 A. Yes, I am sponsoring Exhibit No. RJL-2, consisting of
4 one document entitled "Tampa Electric's Storm Restoration
5 Cost True-up Calculation."

6
7 **II. TAMPA ELECTRIC'S STORM COST TRUE-UP**

8 Q. What were the incremental storm restoration costs that
9 Tampa Electric incurred during the 2018 through 2022 storm
10 seasons and the Commission approved for recovery through
11 the storm restoration surcharge?

12
13 A. On June 13, 2024, the Commission approved Tampa Electric's
14 collection of actual incremental storm restoration costs of
15 \$134,832,847.83 related to the 2018 through 2022 storm
16 seasons.

17
18 Q. How did Tampa Electric collect the incremental storm
19 restoration costs from the 2018 through 2022 storm
20 seasons?

21
22 A. The Commission approved storm cost recovery rates and the
23 collection of storm restoration costs to begin in April
24 2023 in Order No. PSC-2023-0116-PCO-EI, issued March 27,
25 2023, in Docket No. 20230019-EI. On August 16, 2023, Tampa

1 Electric requested to reduce the storm cost recovery rates
2 and extend the cost collection period through the
3 remainder of 2024. The Commission approved this request
4 with Order No. PSC-2023-0351-PCO-EI. Tampa Electric ended
5 the storm restoration surcharge with the last billing
6 cycle in December 2024 in compliance with this order.
7

8 **Q.** What is the total amount Tampa Electric recovered through
9 the storm restoration surcharge during the March 2023 to
10 December 2024 period?
11

12 **A.** Tampa Electric collected \$135,978,101.74 through the
13 storm restoration surcharge. When compared to the actual
14 incremental storm restoration costs of \$134,832,847.83 I
15 previously described, the variance or "true-up" amount is
16 an over-recovery of \$1,145,253.91, which will be returned
17 to customers.
18

19 **Q.** How will Tampa Electric return the over-recovery true-up
20 to customers?
21

22 **A.** Tampa Electric proposes to refund the storm restoration
23 surcharge over-recovery amount to customers through the
24 Environmental Cost Recovery Clause ("ECRC"). This
25 treatment complies with the Commission's Order No. PSC-

1 2024-0190-FOF-EI, issued on June 13, 2024 in Docket No.
2 20230019-EI, which approved an agreement between the
3 parties to this docket that Tampa Electric will refund
4 any over-recovery related to the storm restoration
5 surcharge "through a clause billed on an energy basis,
6 such as the... environmental cost recovery clause."
7

8 **Q.** Please explain how Tampa Electric will refund the storm
9 restoration surcharge excess through the ECRC.
10

11 **A.** The true-up amount was booked to the ECRC in December
12 2024 so that it will be included in Tampa Electric's 2024
13 ECRC true-up filing. This will immediately lower the
14 interest expense for the clause since interest is applied
15 to the clause balance monthly at the 30-day commercial
16 paper rate. The amount of the 2024 total true-up,
17 including the approved storm restoration surcharge over-
18 recovery amount, would then be included in setting 2026
19 projected cost recovery clause factors, which are
20 submitted to the Commission in August 2025. The storm
21 restoration surcharge true-up results in lower ECRC
22 factors for 2026.
23

24 **SUMMARY**

25 **Q.** Please summarize your testimony.

1 **A.** My testimony presented the company's storm restoration
2 cost over- recovery true-up amount of \$1,145,253.91 as
3 required by Order No. PSC-2024-0190-FOF-EI. My testimony
4 explained that Tampa Electric calculated this amount by
5 taking the \$135,978,101.74 that the company collected
6 through the storm restoration surcharge and subtracting
7 the company's total storm restoration cost amount of
8 \$134,832,847.83. Lastly, my testimony described Tampa
9 Electric's proposal to refund this over-recovery through
10 the ECRC by including it in the 2024 ECRC true-up
11 calculation.

12
13 **Q.** Does this conclude your direct testimony?

14
15 **A.** Yes.

**Tampa Electric's
Storm Restoration Cost True-up Calculation**

Apr-23	\$10,173,879.88
May-23	\$10,884,431.65
Jun-23	\$12,212,261.11
Jul-23	\$14,268,693.62
Aug-23	\$14,350,906.60
Sep-23	\$14,820,174.41
Oct-23	\$12,007,150.22
Nov-23	\$9,425,959.74
Dec-23	\$9,023,278.64
Jan-24	\$1,985,772.92
Feb-24	\$1,848,759.42
Mar-24	\$1,796,089.87
Apr-24	\$1,966,042.08
May-24	\$2,311,150.80
Jun-24	\$3,025,680.41
Jul-24	\$3,021,222.66
Aug-24	\$2,962,988.87
Sep-24	\$3,144,110.06
Oct-24	\$2,612,417.67
Nov-24	\$2,153,793.27
Dec-24	\$1,983,337.84
Billed Storm Surcharge	<u>\$135,978,101.74</u>
Approved Storm Surcharge	<u>\$134,832,847.83</u>
True-up Amount	<u><u>\$1,145,253.91</u></u>