#### FILED 4/28/2025 DOCUMENT NO. 03207-2025 FPSC - COMMISSION CLERK

#### BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

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Review of Storm Protection Plan	
Pursuant to Rule 25-6.030, F.A.C.,	
Tampa Electric Company	

DOCKET NO. 20250016-EI

FILED: April 28, 2025

## TAMPA ELECTRIC COMPANY'S <u>PREHEARING STATEMENT</u>

#### **A. APPEARANCES:**

J. JEFFRY WAHLEN MALCOLM N. MEANS Ausley McMullen Post Office Box 391 Tallahassee, Florida 32302

On behalf of Tampa Electric Company

# **B. WITNESSES:**

Witness	Witness Subject Matter	
( <u>Direct</u> )		
1. Kevin E. Palladino (TECO)	Overview of Tampa Electric's 2026-2035 Storm Protection Plan	1-3
	Process for development of the Plan and selection of SPP Programs	1-3
	Adherence to Commission Rules and Statutory Requirements	1-3
	Implementation of the Plan will strengthen the company's infrastructure to withstand extreme weather conditions	1-3

		Description of Distribution Storm Surge Hardening and Transmission Switch Hardening Programs	
		Description of how each of these programs will reduce restoration costs and outage times associated with extreme weather events and enhance reliability	1-3
2. A. Sloan Lewis (TECO)	Estimated annual jurisdictional revenue requirements for each year of the Plan	1-3	
		Estimated rate impacts for each of the first three years of the Plan	1-3
	. De Stigter (1898 & Co.)	Estimated benefits of the Distribution Lateral Undergrounding, Substation Extreme Weather Hardening, Transmission Asset Upgrades, and Overhead Feeder Hardening Programs	3
<u>(Re</u> l	<u>buttal)</u>		
1. I	Kevin E. Palladino (TECO)	Rebuttal to OPC witness, Mr. Kevin J. Mara	1-3
2. /	A. Sloan Lewis (TECO)	Rebuttal to OPC witness, Mr. Kevin J. Mara	3

# **<u>C. EXHIBITS:</u>**

<u>Exhibit</u>	Witness	<b>Description</b>
(KEP-1)	Palladino	Tampa Electric's 2026-2035 Storm Protection Plan
(ASL-1)	Lewis	Tampa Electric's 2026-2035 SPP Total Revenue Requirements by Program

De Stigter

(JDD-1)

# **D. STATEMENT OF BASIC POSITION**

## Tampa Electric Company's Statement of Basic Position:

It is in the public interest to approve Tampa Electric Company's 2026-2035 Storm Protection Plan ("2026-2035 SPP" or "Plan") without modification. Consideration of the

four factors set out in Section 366.96(4)(a)-(d) of the Florida Statutes weighs in favor of such a finding. The 2026-2035 SPP will "reduce restoration costs and outage times associated with extreme weather events and enhance reliability" by systematically hardening components of the company's transmission and distribution system. The implementation of Tampa Electric's proposed SPP programs will provide additional value to customers, and the costs and rate impacts of the 2026-2035 SPP are reasonable considering the significant customer benefits of the Plan.

## **E. STATEMENT OF ISSUES AND POSITIONS**

- **ISSUE 1**: Should the proposed Distribution Storm Surge Hardening Program be included in TECO's proposed 2026-2035 SPP?
- **TECO:** Yes. The Distribution Storm Surge Hardening Program will achieve the goals of Section 366.96 of the Florida Statutes and meets the requirements of Rule 25-6.030 of the Florida Administrative Code. This Program will reduce restoration costs and outage times associated with extreme weather and enhance reliability by hardening distribution switchgear and transformers in critical flood zones, making them resistant to storm surge and freshwater flooding.
- **ISSUE 2**: Should the proposed Transmission Switch Hardening Program be included in TECO's proposed 2026-2035 SPP?
- **TECO:** Yes. The Transmission Switch Hardening Program will achieve the goals of Section 366.96 of the Florida Statutes and meets the requirements of Rule 25-6.030 of the Florida Administrative Code. This Program will reduce restoration costs and outage times associated with extreme weather and enhance reliability by adding remotely operable switches to the company's transmission system. This will allow the company to restore power to customers more efficiently by remotely reenergizing portions of the company's transmission system during extreme weather. It will also reduce the expense associated with dispatching team members to manually operate these switches in the field.
- **ISSUE 3**: Should the Commission approve, approve with modification, or deny TECO's Storm Protection Plan?

**TECO:** It is in the public interest to approve Tampa Electric Company's 2026-2035 Storm Protection Plan ("2026-2035 SPP" or "Plan") without modification. Consideration of the four factors set out in Section 366.96(4)(a)-(d) of the Florida Statutes weighs in favor of such a finding.

> The 2026-2035 SPP will "reduce restoration costs and outage times associated with extreme weather events and enhance reliability." S. 366.96(4)(a), Fla. Stat. Tampa Electric's Distribution Lateral Undergrounding, Overhead Feeder Hardening, Transmission Asset Upgrades, and Substation Extreme Weather Hardening Programs are each expected to generate net benefits for customers. Collectively, these programs are expected to reduce restoration costs by \$130 million to \$450 million over the next 50 years, depending on the frequency and severity of future storms, and reduce customer minutes of interruption by 10 percent over the same time span. Tampa Electric estimates that the Distribution Storm Surge Hardening Program will result in a 48 percent reduction in restoration costs and a 38 percent reduction in outage times. The company also expects that the Transmission Switch Hardening Program will result in faster isolation of trouble spots, fewer truck rolls, less technician time in the field, and more rapid restoration of service. Finally, the company's proposed Vegetation Management Program will result in an 8 percent improvement in day-to-day restoration costs and a 19 percent reduction in major storm event restoration costs.

> Tampa Electric evaluated the feasibility, reasonableness, and practicality of hardening all parts of the company's transmission and distribution system in developing the proposed Plan. S. 366.96(4)(b), Fla. Stat. Tampa Electric determined that all components of the company's transmission and distribution system can be hardened and concluded that all customers would benefit from its proposed storm protection investments.

Tampa Electric's 2026-2035 SPP presents a comparison of the estimated costs and benefits of the Plan, as well as the estimated annual rate impacts of the plan over the first three years of the Plan as required by S. 366.96(4)(c)-(d), Fla. Stat. These costs and rate impacts are reasonable considering the significant customer benefits of the Plan, which are described above.

Finally, Tampa Electric's Plan also includes all elements required by Rule 25-6.030 of the Florida Administrative Code.

**ISSUE 4:** Should this docket be closed? (TECO)

**TECO:** Yes, this docket should be closed upon issuance of an appropriate order approving Tampa Electric's 2026-2035 SPP without modification.

## F. STIPULATED ISSUES

**TECO:** None at this time.

# G. MOTIONS

**TECO:** None at this time.

# H. PENDING REQUEST OR CLAIMS FOR CONFIDENTIALITY

**TECO:** None at this time.

# I. OTHER MATTERS

**TECO:** None at this time.

DATED this 28<sup>th</sup> day of April 2025.

Respectfully submitted,

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#### **CERTIFICATE OF SERVICE**

I HEREBY CERTIFY that a true and correct copy of the foregoing Prehearing Statement, filed on behalf of Tampa Electric Company, has been furnished by electronic mail on this 28th day of April 2025 to the following:

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