

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and Purchased Power Cost
Recovery Clause And Generating
Performance Incentive Factor.

DOCKET NO. 20250001-EI

FILED: October 6, 2025

**PREHEARING STATEMENT
OF TAMPA ELECTRIC COMPANY**

A. APPEARANCES

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On behalf of Tampa Electric Company

B. WITNESSES

Witness	Subject Matter	Issue #
Direct		
Zel D. Jones-Phillips	Generic Fuel Adjustment Issues, Adjustment Factors	5, 6, 7, 8
	Fuel Factor Calculation Issues	14, 15, 16, 17, 18
	Generic Capacity Cost Recovery Factor Issues	22, 23, 24, 25, 26, 27, 28
	Effective Date	29, 30, 31
Adam L. Parke	Generic Generating Performance Incentive Factor Issues	12, 13
	Fuel Factor Calculation Issues	14
Benjamin F. Smith	Fuel Factor Calculation Issues	14

	Generic Capacity Cost Recovery Factor Issues	26
John C. Heisey	Fuel Factor Calculation Issues	4A, 4B, 14

C. EXHIBITS

Witness	Proffered By	Exhibit No.	Description	Issue #
Direct				
Jones-Phillips	Tampa Electric Company	ZDJ-1	Final True-Up Capacity Cost Recovery January 2024-December 2024	22, 24
Jones-Phillips	Tampa Electric Company	ZDJ-1	Final True-up Fuel Cost Recovery January 2024-December 2024	5, 7
Jones-Phillips	Tampa Electric Company	ZDJ-1	Actual Fuel True-up Compared to Original Estimates January 2024-December 2024	5, 7
Jones-Phillips	Tampa Electric Company	ZDJ-1	Schedules A-1, A-2, A-6 through A-9, and A-12 January 2024-December 2024	5, 7, 22, 24
Jones-Phillips	Tampa Electric Company	ZDJ-2	Actual/Estimated True-Up Fuel Cost Recovery January 2025-December 2025	6, 7
Jones-Phillips	Tampa Electric Company	ZDJ-2	Actual/Estimated True-Up Capacity Cost Recovery January 2025-December 2025	23, 24
Jones-Phillips	Tampa Electric Company	ZDJ-3	Projected Capacity Cost Recovery January 2026-December 2026	24, 25, 26, 27, 28
Jones-Phillips	Tampa Electric Company	ZDJ-3	Projected Fuel Cost Recovery January 2026-December 2026	8, 14, 15, 16 17, 18,
Jones-Phillips	Tampa Electric Company	ZDJ-3	Levelized and Tiered Fuel Rate January 2026-December 2026	8, 14, 15, 16, 17, 18
Parke	Tampa Electric Company	ALP-1	Final True-Up Generating Performance Incentive Factor January 2024-December 2024	12, 14
Parke	Tampa Electric Company	ALP-1	Actual Unit Performance Data January 2024-December 2024	12, 14
Parke	Tampa Electric	ALP-2	Generating Performance Incentive Factor	13

	Company		January 2026-December 2026	
Parke	Tampa Electric Company	ALP-2	Summary of Generating Performance Incentive Factor Targets January 2026-December 2026	13
Heisey	Tampa Electric Company	JCH-1	Optimization Mechanism Results January 2024-December 2024	4A
Heisey	Tampa Electric Company	JCH-2	Risk Management Plan January 2026-December 2026	4B

D. STATEMENT OF BASIC POSITION

Tampa Electric Company's Statement of Basic Position

The Florida Public Service Commission ("Commission") should approve Tampa Electric Company's ("Tampa Electric") calculation of its fuel adjustment, capacity cost recovery, and GPIF true-up and projection calculations, including the proposed fuel adjustment factor of 3.516 cents per kWh before any application of time of use multipliers for on-peak or off-peak usage; Tampa Electric's proposed capacity factor for the period January through December 2026; a GPIF reward of \$6,364,097 for performance during 2024 and the Tampa Electric's proposed GPIF targets and ranges for 2026.

E. STATEMENT OF ISSUES AND POSITIONS

I. FUEL ISSUES

COMPANY-SPECIFIC FUEL ADJUSTMENT ISSUES

Tampa Electric Company:

ISSUE 4A:

What was the total gain under TECO's Optimization Mechanism approved by Order No. PSC-2021-0423-S-EI that TECO may recover for the period January 2024 through December 2024, and how should that gain to be shared between TECO and its customers?

Tampa Electric: The total gain for the period January 2024 through December 2024 under the Optimization Mechanism approved by Order No. PSC-2017-0456-S-EI is \$11,441,752. Customers should receive \$7,620,876, and Tampa Electric should receive \$3,820,876. (Heisey)

ISSUE 4B: Should the Commission approve TECO's 2026 Risk Management Plan?

Tampa Electric: Yes. Tampa Electric's 2026 Risk Management Plan provides prudent, non-speculative guidelines for mitigating price volatility while ensuring supply reliability. (Heisey)

GENERIC FUEL ADJUSTMENT ISSUES

ISSUE 5: What are the appropriate final fuel adjustment true-up amounts for the period January 2024 through December 2024?

Tampa Electric: \$32,216,179 over-recovery. (Jones-Phillips)

ISSUE 6: What are the appropriate fuel adjustment actual/estimated true-up amounts for the period January 2025 through December 2025?

Tampa Electric: \$17,562,265,430 under-recovery. (Jones-Phillips)

ISSUE 7: What are the appropriate total fuel adjustment true-up amounts to be collected/refunded from January 2026 through December 2026?

Tampa Electric: \$14,653,914 over-recovery. (Jones-Phillips)

ISSUE 8: What are the appropriate projected total fuel and purchased power cost recovery amounts for the period January 2026 through December 2026?

Tampa Electric: The total recoverable fuel and purchased power recovery amount to be collected, adjusted by the jurisdictional separation factor, is \$733,257,192. (Jones-Phillips)

COMPANY-SPECIFIC GENERATING PERFORMANCE INCENTIVE FACTOR ISSUES

No company-specific GPIF issues for Tampa Electric Company have been identified at this time.

GENERIC GPIF ISSUES

ISSUE 12: What is the appropriate GPIF reward or penalty for performance achieved during the period January 2024 through December 2024 for each investor-owned electric utility subject to the GPIF?

Tampa Electric: A reward in the amount of \$6,364,097 for January 2024 through December 2024 performance to be applied to the January 2026 through December 2026 period. (Parke)

ISSUE 13: What should the GPIF targets/ranges be for the period January 2026 through December 2026 for each investor-owned electric utility subject to the GPIF?

Tampa Electric: The appropriate targets and ranges are shown in Exhibit No. ____ (ALP-2) to the prefiled testimony of Adam L. Parke. Targets and ranges should be set according to the prescribed GPIF methodology established in 1981 by Commission Order No. 9558 in Docket No. 800400-CI and modified in 2006 by Commission Order No. PSC-2006-1057-FOF-EI in Docket No. 20060001-EI. (Parke)

FUEL FACTOR CALCULATION ISSUES

ISSUE 14: What are the appropriate projected net fuel and purchased power cost recovery and Generating Performance Incentive amounts to be included in the recovery factor for the period January 2026 through December 2026?

Tampa Electric: The projected net fuel and purchased power cost recovery amount to be included in the recovery factor for the period January 2026 through December 2026, adjusted by the jurisdictional separation factor, is \$733,257,192. The total recoverable fuel and purchased power cost recovery amount to be collected January 2026 through December 2026, including the true-up, optimization mechanism, and GPIF, adjusted for the revenue tax factor, is \$729,400,867. (Jones-Phillips; Heisey; Parke; Smith)

ISSUE 15: What is the appropriate revenue tax factor to be applied in calculating each investor-owned electric utility's levelized fuel factor for the projection period January 2026 through December 2026?

Tampa Electric: The appropriate revenue tax factor is 1.000848. (Jones-Phillips)

ISSUE 16: What are the appropriate levelized fuel cost recovery factors for the period January 2026 through December 2026?

Tampa Electric: The appropriate factor is 3.516 cents per kWh before any application of time of use multipliers for on-peak or off-peak usage. (Jones-Phillips)

ISSUE 17: What are the appropriate fuel recovery line loss multipliers to be used in calculating the fuel cost recovery factors charged to each rate class/delivery voltage level class?

Tampa Electric: The appropriate fuel recovery line loss multipliers are as follows:

<u>Metering Voltage Schedule</u>	<u>Line Loss Multiplier</u>
Distribution Secondary	1.0000
Distribution Primary	0.9900
Transmission	0.9800
Lighting Service	1.0000
(Jones-Phillips)	

ISSUE 18: What are the appropriate fuel cost recovery factors for each rate class/delivery voltage level class adjusted for line losses?

Tampa Electric: The appropriate factors are as follows:

<u>Metering Voltage Level</u>	<u>Fuel Charge Factor (cents per kWh)</u>	
Secondary	3.516	
RS Tier I (Up to 1,000 kWh)	3.210	
RS Tier II (Over 1,000 kWh)	4.210	
Distribution Primary	3.481	
Transmission	3.446	
Lighting Service	3.452	
Distribution Secondary	3.822	(on-peak)
	3.376	(off-peak)
Distribution Primary	3.784	(on-peak)
	3.342	(off-peak)
Transmission	3.746	(on-peak)
	3.308	(off-peak)
(Jones-Phillips)		

II. CAPACITY ISSUES

COMPANY-SPECIFIC CAPACITY COST RECOVERY FACTOR ISSUES

No company-specific capacity cost recovery factor issues for Tampa Electric Company have been identified at this time.

GENERIC CAPACITY COST RECOVERY FACTOR ISSUES

ISSUE 22: What are the appropriate final capacity cost recovery true-up amounts for the period January 2024 through December 2024?

Tampa Electric: \$8,961,534 under-recovery. (Jones-Phillips)

ISSUE 23: What are the appropriate capacity cost recovery actual/estimated true-up amounts for the period January 2025 through December 2025?

Tampa Electric: \$24,864,312 under-recovery. (Jones-Phillips)

ISSUE 24: What are the appropriate total capacity cost recovery true-up amounts to be collected/refunded during the period January 2026 through December 2026?

Tampa Electric: \$33,825,845 under-recovery. (Jones-Phillips)

ISSUE 25: What are the appropriate projected total capacity cost recovery amounts for the period January 2026 through December 2026?

Tampa Electric: The projected total capacity cost recovery amount for the period January 2026 through December 2026 is \$10,964,037. (Jones-Phillips)

ISSUE 26: What are the appropriate projected net purchased power capacity cost recovery amounts to be included in the recovery factor for the period January 2026 through December 2026?

Tampa Electric: The total recoverable capacity cost recovery amount to be collected, including the true-up amount, adjusted for the revenue tax factor, is \$44,827,864 (Jones-Phillips; Smith).

ISSUE 27: What are the appropriate jurisdictional separation factors for capacity revenues and costs to be included in the recovery factor for the period January 2026 through December 2026?

Tampa Electric: The appropriate jurisdictional separation factor is 1.0000000. (Jones-Phillips)

ISSUE 28: What are the appropriate capacity cost recovery factors for the period January 2026 through December 2026?

Tampa Electric: The appropriate factors for January 2026 through December 2026 are as follows:

<u>Rate Class and Metering Voltage</u>	<u>Capacity Cost Recovery Factor</u>	
	<u>Cents per kWh</u>	<u>\$ per kW</u>
RS	0.264	
GS and CS	0.221	
GSD, RSD		
Secondary		0.72
Primary		0.71
Transmission		0.71
GSD Optional		
Secondary	0.176	
Primary	0.174	
Transmission	0.172	
GSLDPR/GSLDTPR/SBLDPR/SBLDTPR		0.66
GSLDSU/GSLDTSU/SBLDSU/SBLDTSU		0.61
LS-1, LS-2 (Jones-Phillips)	0.032	

III. EFFECTIVE DATE

ISSUE 29: What should be the effective date of the fuel adjustment factors and capacity cost recovery factors for billing purposes?

Tampa Electric: The new factors should be effective beginning with the first billing cycle for January 2026 through the last billing cycle for December 2026. The first billing cycle may start before January 1, 2026, and the last cycle may be read after December 31, 2026, so that each customer is billed for twelve months regardless of when the recovery factors became effective. The new factors shall continue in effect until modified by this Commission. (Jones-Phillips)

ISSUE 30: Should the Commission approve revised tariffs reflecting the fuel adjustment factors and capacity cost recovery factors determined to be appropriate in this proceeding?

Tampa Electric: Yes, the Commission should approve revised tariffs reflecting the fuel adjustment factors and capacity cost recovery factors determined to be appropriate in this proceeding. (Jones-Phillips)

ISSUE 31: Should this docket be closed?

Tampa Electric: Yes.

F. STIPULATED ISSUES

Tampa Electric is not aware of any stipulated issues as of this date.

G. PENDING MOTIONS

Tampa Electric is not aware of any pending motions as of this date.

H. PENDING CONFIDENTIALITY CLAIMS OR REQUESTS

Tampa Electric has one pending Request for Confidential Classification [of DN 09132-2025], filed on September 4, 2025, in this proceeding.

I. OBJECTIONS TO WITNESS QUALIFICATIONS AS AN EXPERT

Tampa Electric has no objections to any witness' qualifications as an expert in this proceeding.

J. STATEMENT OF SEQUESTRATION OF WITNESSES

Tampa Electric does not request the sequestration of any witnesses at this time.

K. COMPLIANCE WITH ORDER NO. PSC-2025-0052-PCO-EI

Tampa Electric has complied with all requirements of the Order Establishing Procedure entered in this docket.

DATED this 6th day of October 2025.

Respectfully submitted,

A handwritten signature in blue ink that reads "Malcolm N. Means". The signature is written in a cursive style with a horizontal line underneath it.

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ATTORNEYS FOR TAMPA ELECTRIC COMPANY

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 served by electronic mail on this 6th day of October, 2025 to the following:

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