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Public Service Commission

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-M-E-M-O-R-A-N-D-U-M-

DATE: October 22, 2026

TO: Office of Commission Clerk (Teitzman)

FROM: Division of Economics (Kelley) *EJD*
Office of the General Counsel (Brownless) *JSC*

RE: Docket No. 20260146-EI – Petition for approval of large load customer tariffs, by Tampa Electric Company.

AGENDA: 11/03/26 – Regular Agenda – Tariff Suspension – Participation is at the Commission's Discretion

COMMISSIONERS ASSIGNED: All Commissioners

PREHEARING OFFICER: Clark

CRITICAL DATES: 11/30/26 (60-Day Suspension Date)

SPECIAL INSTRUCTIONS: None

Case Background

Subsection 366.043(8), Florida Statutes (F.S.), requires each public utility to file a tariff that complies with Section 366.043, F.S., no later than October 1, 2026, for Commission approval. On September 30, 2026, Tampa Electric Company (TECO or Utility) filled a petition to approve two new Large Load Customer (LLCS-1 and LLCS-2) rate schedules, a Large Load Customer Contract (LLCC), and related general tariff changes to comply with Section 366.043, F.S.

Subsection 366.043(3)(a), F.S., requires utilities to ensure that large load customers with an anticipated monthly peak load of 50 megawatts (MW) or more bear their own full cost of service and that such costs are not shifted to the general body of ratepayers. Subsection 366.043(4), F.S. requires that customers may not separate electrical load to avoid the designation of a large load customer. Subsection 366.043(7), F.S., requires that utilities do not provide electric service to a customer that is a foreign entity.

In this petition, TECO has proposed two new rate schedules, LLCS-1 and LLCS-2. TECO states that the proposed LLCS-1 rate schedule includes rates and charges that would recover the cost of service associated with the planned construction of 600 MW of energy storage devices, 600 MW of new generating capacity arising from the Utility's planned modernization of Big Bend Unit 4 and transmission facilities to connect these generating resources to the grid to serve up to one gigawatt of cumulative large load customer demand, as well as a reasonable share of the Utility's overall average system costs..

The proposed LLCS-2 rate schedule would apply to large load customer demand above the first gigawatt of demand to be served under LLCS-1. TECO states that the LLCS-2 rate schedule reflects a formula approach for developing rates that would recover the full cost of service associated with the planned construction of the specific generating facilities, energy storage devices, and new transmission facilities needed to serve customers, as well as a reasonable share of the Utility's overall average system costs.

The proposed LLCC is a standard contract that would be executed by the Utility and customers requesting service under rate schedule LLCS-1 or LLCS-2. The proposed LLCC also includes a standard affidavit of ownership for large load customers to support the Utility's compliance with Section 366.043(3)(b), F.S., on foreign entities.

The general tariff changes include three new definitions in Section 4, updates to clause-related tariff sheets to reflect the addition of rate schedules LLCS-1 and LLCS-2, and the addition of the LLCC to Section 7 of the tariff.

This is staff's recommendation to suspend the proposed tariffs. The Commission has jurisdiction over this matter pursuant to Sections 366.043, 366.06, and 366.07, F.S.

Discussion of Issues

Issue 1: Should the Commission suspend TECO's proposed large load service tariffs and related general tariff changes?

Recommendation: Yes. Staff recommends that TECO's proposed tariff revisions be suspended to allow staff sufficient time to review the petition and gather all pertinent information in order to present the Commission with an informed recommendation on the proposed tariff modifications. (Kelley)

Staff Analysis: Staff recommends that TECO's proposed tariffs revisions be suspended to allow staff sufficient time to review the petition and gather all pertinent information in order to present the Commission with an informed recommendation on the proposed tariff modifications.

Pursuant to Section 366.06(3), F.S., the Commission may withhold consent to the operation of all or any portion of the new rate schedules, delivering to the utility requesting such a change, a reason, or written statement of a good cause for doing so within 60 days. Staff believes that the reason stated above is a good cause consistent with the requirement of Section 366.06(3), F.S.

Issue 2: Should this docket be closed?

Recommendation: No. This docket should remain open pending the Commission decision on TECO's proposed tariffs. (Brownless)

Staff Analysis: This docket should remain open pending the Commission decision on TECO's proposed tariffs.