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Commissioners: Art Graham, Chairman Julie brown Donald Polmann Gary Clark Andrew Fay



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Public Service Commission

Tampa Electric Company James Beasley Ausley Law Firm P.O. Box 391 Tallahassee, FL 32302

STAFF'S SECOND DATA REQUEST VIA EMAIL jbeasley@ausley.com

RE: Docket No. 20180133-EI – Petition for limited proceeding to approve second solar base rate adjustment (SoBRA), effective January 1, 2019, by Tampa Electric Company.

Dear Mr. Beasley:

By this letter, the Commission staff requests that Tampa Electric Company (TECO) provide responses to the following data requests.

- 27. Referring to TECO's witness Rocha Direct Testimony, page 9, lines 17 21, please explain why the depreciation expense used in the calculation of Second SoBRA Revenue Requirements is deemed a "reasonable" estimate.
- **28.** Please refer to witness Rocha's Direct Testimony, Exhibit RJR-1, Document 3, for the following questions:
 - a. Referring to page 1 of Document 3, please specify, respectively, the depreciation expense amounts included in the Revenue Requirement for each of the five projects, as well as in total, of TECO's Second SoBRA.
 - b. Referring to page 1 of Document 3, please identify the following that were used in deriving the depreciation expense amount discussed in Question (a): i) average service life, ii) plant-in-service amount each month and; iii) depreciation rate(s) used with specification of Commission order(s) by which the rate(s) was/were approved.
 - c. Referring to page 1 of Document 3, please explain in detail how each depreciation expense amount discussed in Question (a) was derived.
 - d. Please provide working papers in Microsoft Excel, with formulas intact, to support TECO's response to Interrogatory No. 2.(c).

- e. Please explain how the schedule presented on page 2 of Document 3 was derived from the schedule presented on page 1 of Document 3.
- **29.** Referring to witness Rocha Direct Testimony, page 15, lines 23 24, for the following questions:
 - a. Please explain in detail how the referenced "book depreciation" was calculated, and specify the associated depreciation rate, average service life, and the plant-in-service amounts used in calculation.
 - b. Please provide working papers in Microsoft Excel, with formulas intact, to support TECO's response to Interrogatory No. 3.(a).
 - c. Please identify the amount of annual "book depreciation" witness Rocha derived.
- **30.** Please refer to witness Rocha Direct Testimony, page 16, lines 4 10, and page 20, lines 16 19, for the following questions:
 - a. Does TECO plan to recover its solar generation costs in excess of the Second SoBRA? (The excess costs are the expense amounts associated with constructing 278 MW - 260.3 MW = 17.7 MW solar generation)
 - b. If TECO's response to Question 4 (a) is positive, please discuss when and how TECO is planning to do so and how such plan comports with the 2017 Agreement.
 - c. With respect to the recovery of solar generation capital investment through depreciation, please explain how TECO will book the plant assets associated with the 260.3 MW (recoverable for the Second SoBRA) and 17.7 MW (non-recoverable for the Second SoBRA) solar facilities separately onto a same set of affected depreciation accounts.

For all questions and requests please refer to the direct testimony of witness Rocha, exhibit RJR-1, Document 1 of the instant docket, the direct testimony of witness Rocha, exhibit RJR-1, in TECO's previous petition for SoBRA (docket No. 20180260-EI), and TECO's 2018 Ten Year Site Plan (TYSP):

- **31.** The energy forecast in Exhibit RJR-1, Document 1 of the instant docket shows a projected decrease from 2018 (20,588 GWh) to 2019 (20,445 GWh). No other decreases appear from 2020 through 2048. What are the reasons for this decrease?
- **32.** Does the energy forecast in Exhibit RJR-1, Document 1 of the instant docket represent TECO's most current forecast?

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- **33.** Why does TECO's energy forecast, as shown in Exhibit RJR-1, Document 1 exceed the forecast in the its 2018 TYSP, Schedule 2.2, Column (8), for each year through 2027?
- **34.** The peak summer and winter demand forecasts shown in Exhibit RJR-1, Document 1 differ from the forecasts of summer and winter peak demand shown in Schedules 3.1 and 3.2, total peak demand, column (2) and Net Firm Demand, column (10), of TECO's 2018 TYSP. What are the reasons for these differences?
- **35.** Please clarify whether the 2018 winter demand forecast in Exhibit RJR-1, Document 1, of 4,044 MW corresponds to the 2017/18 or 2018/19 forecast in Schedule 3.2 of the 2018 TYSP. If the answer is 2017/2018, does the entry represent the actual winter demand for 2018?
- **36.** On what date did the energy forecast in Exhibit RJR-1, Document 1 become TECO's official forecast?
- 37. What is the date of the next expected revision to TECO's energy forecast?
- **38.** Please reconcile the energy forecast in Exhibit RJR-1 with the billing determinants in the rates schedules contained in witness Ashburn's exhibit WRA-1, Document 2, Schedule E-13c, , including all relevant worksheets.

Please file all responses electronically no later than August 1, 2018 from the Commission's website at <u>www.floridapsc.com</u>, by selecting the Clerk's Office tab and Electronic Filing Web Form. Please feel free to call me at (850) 413-6584 if you have any questions.

Sincerely, Wall hulh

Walt Trierweiler Senior Attorney

WLT/lms

cc: Office of Commission Clerk Office of the Public Counsel Moyle Law Firm