

July 16, 2012

Mr. John Slemkewicz, Supervisor Bureau of Rate Filings and Surveillance Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Dear Mr. Slemkewicz:

Enclosed are copies of Tampa Electric Company's monthly rate of return computations for May 2012.

These computations have been made using the ratemaking practices and principles outlined in Commission Order No. PSC-93-0165-F0F-EI dated February 2, 1993, Order No. PSC-09-0283-FOF-EI dated April 30, 2009, and Order No. PSC-09-0571-FOF-EI dated August 21, 2009.

This report was calculated using updated jurisdictional separation factors based on forecasted levels of wholesale commitments, system rate base and operating expense items.

Please let me know if you have any questions.

Respectfully,

HAA

Jeffrey S. Chronister Controller

Enclosures

cc: Office of Public Counsel-J.R. Kelly

12 JUL 16 PH 2: 3

(813) 228-4111

TAMPA ELECTRIC COMPANY P. D. BOX 111 TAMPA, FL 33601-0111

AN EQUAL OPPORTUNITY COMPANY TAMPAELECTRIC.COM CUSTOMER SERVICE: HILLSBOROUGH COUNTY (813) 223-0800 POLK COUNTY (863) 299-0800 ALL DTHER COUNTIES 1 (888) 223-0800

# TAMPA ELECTRIC COMPANY EARNINGS SURVEILLANCE REPORT SUMMARY May 2012

I. Average Rate of Return (Jurisdictional)	(1) Actual Per Books		(2) FPSC Adjustments		(3) FPSC Adjusted	(4) Pro Forma Adjustments	(5) Pro Forma Adjusted
Net Operating Income	\$ 315,522,811	(a)	(36,912,003)	(b)	278,610,808	0	\$ 278,610,808
Average Rate Base	4,286,771,575		(477,228,562)		3,809,543,013	0	3,809,543,013
Average Rate of Return	7.36%				7.31%		7.31%
II. Year End Rate of Return (Jurisdictional)							
Net Operating Income	\$ 315,522,811	(a)	(37,852,422)	(b)	277,670,389	0	\$ 277,670,389
Year End Rate Base	4,350,228,823		(489,029,803)		3,861,199,020	0	3,861,199,020
Year End Rate of Return	7.25%				7.19%		7.19%

(a) Includes AFUDC debt of \$721,333 and AFUDC equity of \$1,242,617 (b) Includes reversal of AFUDC earnings.

III. Required Rate of Return Average Capital Structure (FPSC Adjusted Basis)					
Low	7.16	%			
Midpoint	7.59	%			
High	8.02	%			
IV. Financial Integrity Indicators					
A. TIE With AFUDC	3.67		(System per books basis)		
B. TIE Without AFUDC	3.65		(System per books basis)		
C. AFUDC To Net Income	0.86	%	(System per books basis)		
D. Internally Generated Funds	116.14	%	(System per books basis)		
E. LTD To Total Investor Funds	47.54	%	(FPSC adjusted basis)		
F. STD To Total Investor Funds	0.29	%	(FPSC adjusted basis)		
G. Return On Common Equity (Avg)	10.59	%	(FPSC adjusted basis)	Year End	10.80%

The calculations on this schedule were made in direct response to and according to methodology prescribed in Order No. PSC-93-0165-FOF-EI, Order No. PSC-09-0283-FOF-EI, and Order No. PSC-09-0571-FOF-EI by the Florida Public Service Commission and for that reason only. Tampa Electric Company takes the position that certain portions of these prescribed calculations may not present fairly the Company's current financial status and that they should not be used for that purpose.

I am aware that Section 837.06, Florida Statutes, provides:

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082, s. 775.083, or s. 775.084.

S. Chronister, Controller

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## TAMPA ELECTRIC COMPANY AVERAGE RATE OF RETURN RATE BASE May 2012

		(1) Plant In Service	(2) Accumulated Depreciation & Amortization	(3) Net Plant In Service		(4) Property Held For Future Use	١	(5) onstruction Work In Progress		(6) Nuclear Fuel (Net)	(7) Net Utility Plant		(8) Working Capital	(9) Total Rate Base
System Per Books	\$	6,488,201,570	\$ (2,291,339,122) \$	4,196,862,448	\$ -	35,404,372 \$		176,308,555	\$ 	0 \$	4,408,575,375	\$	(11,092,088) \$	4,397,483,287
Jurisdictional Per Books	:	6,337,602,051	(2,245,529,139)	4,092,072,912	-	30,526,276		171,291,344	==	0	4,293,890,532	==	(7,118,957)	4,286,771,575
FPSC Adjustments														
Fuel and ECCR Other ECRC Fuel Inventory CWIP CWIP in Rate Base		(470,064,134)	74,631,137	(395,432,997)				171,291,344) 136,516,555			(395,432,997) (171,291,344) 136,516,555		(4,601,079) (28,956,727) (4,540,858) (1,940,641)	(4,601,079) (28,956,727) (399,973,855) (1,940,641) (171,291,344) 136,516,555
Job Order Receivables Acquisition Book Values Acquisition Accumulated Amortizations Acquisition Adjustments - Net		(1,597,161) (3,612,550)	1,283,182	(1,597,161) 1,283,182 (3,612,550)							(1,597,161) 1,283,182 (3,612,550)		(3,054,942)	(3,054,942) (1,597,161) 1,283,182 (3,612,550)
Total FPSC Adjustments	•	(475,273,845)	 75,914,319	(399,359,526)	-	0		(34,774,789)		0	 (434,134,315)		(43,094,247)	(477,228,562)
FPSC Adjusted		5,862,328,206	 (2,169,614,820)	3,692,713,386	-	30,526,276	1	36,516,555		0	3,859,756,217		(50,213,204)	3,809,543,013
Pro Forma Revenue Increase and Annualization Adjustments: 					_									
Total Pro Forma Adjustments	-	0	 0	0	-			0		0	0		0	0
Pro Forma Adjusted	\$	5,862,328,206	(2,169,614,820) \$	3,692,713,386 \$	T	30,526,276 \$		36,516,555 \$		0 \$	3,859,756,217	\$ ==	(50,213,204) <b>\$</b>	3,809,543,013

The calculations on this schedule were made in direct response to and according to methodology prescribed in Order No. PSC-93-0165-FOF-EI, Order No. PSC-09-0283-FOF-EI, and Order No. PSC-09-0571-FOF-EI by the Florida Public Service Commission and for that reason only. Tampa Electric Company takes the position that certain portions of these prescribed calculations may not present fairly the company's current financial status and that they should not be used for that purpose.

SCHEDULE 2 PAGE 1 OF 3

## TAMPA ELECTRIC COMPANY AVERAGE RATE OF RETURN INCOME STATEMENT May 2012

	(1) Operating Revenues	(2) O & M Fuel & Net Interchange	(3) O & M Other	(4) Depreciation & Amortization	(5) Taxes Other Than Income	(6) Income Taxes Current	(7) Deferred Income Taxes (Net)	(8) Investment Tax Credit (Net)	(9) (Gain)/Loss On Disposition	(10) Total Operating Expenses	(11) Net Operating Income
System Per Books	\$ 2,022,394,044 s	854,218,738 \$	353,489,122	\$ 227,885,091 \$	147,352,333 \$	(7,242,885) \$	128,724,732 \$	(362,454) \$	 (414,115) <b>\$</b>	1,703,650,562 \$	318,743,482
Jurisdictional Per Books	2,004,073,719	853,034,338	348,949,433	223,202,545	146,128,579	(4,740,082)	124,695,637	(351,109)	(404,483)	1,690,514,858	313,558,861 (a)
FPSC Adjustments		*********				***********	*==============================	112210368213			
Recoverable Fuel	 (849,252,583)	(847,846,029)	(559,012)		(589,103)	(78,093)				(849,072,237)	(180,346)
GPIF Revenues/Penalties	(1,925,510)				(1,385)	(742,231)				(743,616)	(1,181,894)
Recoverable ECCR	(42,885,064)		(42,851,774)		(33,290)	(231)				(42,885,295)	231
Recoverable ECCR - ROI	(287,818)				(207)	(110,946)				(111,153)	(176,665)
Recoverable ECRC	(28,728,231)	(5,777)	(14,391,329)	(14,309,514)	(21,610)	2,495				(28,725,735)	(2,496)
Recoverable ECRC - ROI	(48,002,942)				(34,564)	(18,503,802)				(18,538,366)	(29,464,576)
Industry Association Dues			(77,091)			29,738				(47,353)	47,353
Solaris and Waterfall			(5,759)			2,222				(3,537)	3,537
Stockholder Relations			(184,929)			71,336				(113,593)	113,593
Civic Club Meals			(			0				(,,	0
Franchise Fee Revenue and Expense	(40,878,511)		•		(40,860,620)	(6,901)				(40,867,521)	(10,990)
Gross Receipts Tax						• • •					
- ·	(46,884,897)				(46,842,015)	(16,542)				(46,858,557)	(26,340)
Income Tax True-up						4,860,256				4,860,256	(4,860,256)
Parent Debt Adjustment						(213,114)				(213,114)	213,114
Opt Prov Revenue and Third Party Purchase	0	0				0				0	0
Job Order Revenues	57,017					21,994				21,994	35,023
Economic Development			(9,774)			3,770				(6,004)	6,004
Interest on Tax Issues			0			0				0	0
Acquisition Amortizations				(239,275)	(82,060)	123,955				(197,380)	197,380
Incentive Compensation Plan			(552,341)			213,066				(339,275)	339,275
Rate Case Expense			0			0				0	0
Total FPSC Adjustments	(1,058,788,539)	(847,851,806)	(58,632,009)	(14,548,789)	(88,464,854)	(14,343,028)	0	0		(1,023,840,486)	(34,948,053)
FPSC Adjusted	945,285,180	5,182,532	290,317,424	208,653,756	57,663,725	(19,083,110)	124,695,637	(351,109)	(404,483)	666,674,372	278,610,808
			200,317,424	200,000,700		(10,000,110)		(001,109)			210,010,000
Pro Forma Revenue Increase and Annualization Adjustments:											
Total Pro Forma Adjustments	0	0	0	0			0	0	0		0

(a) The addition of earnings from AFUDC would increase the System NOI by \$2,021,475 and Jurisdictional NOI by \$1,963,950

\$ 945,285,180 \$

Pro Forma Adjusted

Current Month Amount: System Per Books	\$ 177,250,461		\$ 32,870,574 \$	19,913,025	\$ 12,388,723	\$	\$ 7,474,716 \$	; (27,837) ;	(32,655)	i 146,334,466	30,915,995
Jurisdictional Per Books	174,996,624	67,997,731	32,465,858	19,508,761	12,289,743	5,530,506	7,240,757	(26,966)	(31,895)	144,974,495	30,022,129

5,182,532 \$ 290,317,424 \$ 208,653,756 \$ 57,663,725 \$ (19,083,110) \$ 124,695,637 \$

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(351,109) \$

(404,483) \$ 666,674,372 \$ 278,610,808

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#### TAMPA ELECTRIC COMPANY AVERAGE RATE OF RETURN SYSTEM ADJUSTMENTS May 2012

Working Capital Adjustments	System	Retail
Fuel and ECCR	\$ (6,108,636) \$	(4,601,079)
Other: Other Retum Provided Non-utility Investor Funds Unamortized Rate Case Expense	(33,144,960) (4,600,755) 0 (698,771)	(24,965,077) (3,465,329) 0 (526,321)
	\$ (38,444,486) \$	(28,956,727)
Fuel Inventory	\$ (1,952,134) \$	(1,940,641)
Job Order Receivables	\$ (3,054,942) \$	(3,054,942)
ECRC	\$ (6,028,684) \$	(4,540,858)
Total Adjustments	\$ (55,588,882) \$	(43,094,247)

Net Utility Plant Adjustments	System	Retail
ECRC - Plant In Service	\$ (481,234,200) \$	(470,064,134)
ECRC - Acc Deprec & Amortization	76,153,652	74,631,137
CMP	(176,308,555)	(171,291,344)
CWP in Rate Base	140,515,195	136,516,555
Acquisition Book Value	(1,635,114)	(1,597,161)
Acquisition Accumulated Amortization	1,309,360	1,283,182
Acquisition Adjustment - Net	(3,698,395)	(3,612,550)
	ANANANANANANANANANANANA	
Total Adjustments	\$ (444,898,057) \$	(434,134,315)

Income Statement Adjustments		0 & M	System					Re O & M	ail			
FPSC Adjustments	Operating Revenue	Fuel & Net Interchange	O & M Other	Depreciation & Amortization	Taxes Other Than Income	Income Taxes Current	Operating Revenue	Fuel & Net Interchange	O & M Other	Depreciation & Amortization	Taxes Other Than Income	Income Taxes Current
- Recoverable Fuel	(853,759,799)	(849,030,404)	(560,644)		(589,103)	(1,359,249)	(849,252,583)	(847,846,029)	(559,012)		(589,103)	(78,093)
GPIF Revenues/Penalties Recoverable ECCR	(1,925,510) (42,885,064)		(42,851,774)		(1,385) (33,290)	(742,231) (231)	(1,925,510) (42,885,064)		(42,851,774)		(1,385) (33,290)	(742,231) (231)
Recoverable ECCR - ROI	(287,818)		, ,		(207)	(110,946)	(287,818)				(207)	(110,946)
Recoverable ECRC	(28,728,233)	(5,802)	(14,444,551)	(14,345,434)	(21,610)	36,890	(28,728,231)	(5,777)	(14,391,329)	(14,309,514)	(21,610)	2,495
Recoverable ECRC - ROI Industry Association Dues	(48,002,942)		(78,160)		(34,564)	(18,503,802) 30,150	(48,002,942)		(77,091)		(34,564)	(18,503,802) 29,738
Solaris and Waterfall			(5,839)			2,252			(5,759)			29,738
Stockholder Relations			(187,494)			72,326			(184,929)			71,336
Civic Club Meals	(10.070.514)		0		(40,000,000)	0	(40.070.544)		0		(40,000,000)	0
Franchise Fee Revenue and Expense Gross Receipts Tax	(40,878,511) (46,884,897)				(40,860,620) (46,842,015)	(6,901) (16,542)	(40,878,511) (46,884,897)				(40,860,620) (46,842,015)	(6,901) (16,542)
Income Tax True-up	(40,004,007)				(40,042,010)	4,971,829	(40,004,007)				(40,042,010)	4,860,256
Parent Debt Adjustment						(220,000)		-				(213,114)
Opt Prov Revenue and 3rd Party Purchase Job Order Revenues	0 57.017	0				0 21.994	0 57.017	0				0 21,994
Economic Development	57,017		(9,910)			3.823	57,017		(9,774)			3,770
Interest on Tax Issues			0			0			0			0
Acquisition Amortizations			(500.000)	(244,597)	(83,885)	126,712			(550.044)	(239,275)	(82,060)	123,955
Incentive Compensation Plan Rate Case Expense			(560,000) 0			216,020 0			(552,341) 0			213,066 0
Total FPSC Adjustments	\$ (1,063,295,757) <b>\$</b>	(849,036,206)	\$ (58,698,372)	\$ (14,590,031) \$	(88,466,679) \$	(15,477,906)	(1,058,788,539) \$	(847,851,806) \$	(58,632,009)		(88,464,854) \$	
Total FPSC Adjustments	a (1,003,295,757) a	(849,036,206)	\$ (58,698,372)	\$ (14,590,031) <b>\$</b>	(88,400,079) \$	(15,477,906) 3	========================		(58,032,009)	\$ (14,548,789) \$	(88,404,854) 3	(14,343,028)
Pro Forma Revenue Increase and Annualization Adjustments:												
							****					
Total Pro Forma Adjustments	\$ 0 \$	0	\$ 0 :	\$ 0 <b>\$</b>	0 \$	0 \$	5 0 <b>5</b>	0 \$	0	\$ 0 \$	0 \$	0

The calculations on this schedule were made in direct response to and according to methodology prescribed in Order No. PSC-93-0165-FOF-EI, Order No. PSC-09-0283-FOF-EI, and Order No. PSC-09-0571-FOF-EI by the Florida Public Service Commission and for that reason only. Tampa Electric Company takes the position that certain portions of these prescribed calculations may not present fairly the company's current financial status and that they should not be used for that purpose.

### SCHEDULE 2 PAGE 3 OF 3

# TAMPA ELECTRIC COMPANY YEAR END RATE OF RETURN RATE BASE May 2012

		(1) Plant In Service	(2) Accumulated Depreciation & Amortization	(3) Net Plant In Service	(4) Property Held For Future Use	(5) Construction Work In Progress	(6) Nuclear Fuel (Net)	(7) Net Utility Plant	(8) Working Capital	(9) Total Rate Base
System Per Books	\$	6,586,864,427	 \$ (2,358,581,245) \$	4,228,283,182	\$ 34,251,550 <b>\$</b>	211,279,977	\$ 0 \$	4,473,814,709 \$		4,462,722,621
Regulatory Base - Retail		6,433,974,816	(2,311,426,912)	4,122,547,904	29,532,292	205,267,584	0	4,357,347,780	(7,118,957)	4,350,228,823
FPSC Adjustments										
Fuel and ECCR Other ECRC Fuel Inventory CWIP CWIP in Rate Base		(471,836,272)	93,384,551	(378,451,721)		(205,267,584) 141,565,836		(378,451,721) (205,267,584) 141,565,836	(4,601,079) (28,956,727) (4,540,858) (1,940,641)	(4,601,079) (28,956,727) (382,992,579) (1,940,641) (205,267,584) 141,565,836
Job Order Receivables Acquisition Book Values Acquisition Accumulated Amortizations Acquisition Adjustments - Net		(1,597,161) (3,496,944)	1,312,018	(1,597,161) 1,312,018 (3,496,944)				(1,597,161) 1,312,018 (3,496,944)	(3,054,942)	(3,054,942) (1,597,161) 1,312,018 (3,496,944)
Total FPSC Adjustments	-	(476,930,377)	94,696,569	(382,233,808)	0	(63,701,748)	0	(445,935,556)	(43,094,247)	(489,029,803)
FPSC Adjusted	-	5,957,044,439	(2,216,730,343)	3,740,314,096	29,532,292	141,565,836	0	3,911,412,224	(50,213,204)	3,861,199,020
Pro Forma Revenue Increase and Annualization Adjustments:										
Total Pro Forma Adjustments	-	0	0	0	0	0		0	0	0
Pro Forma Adjusted	\$	5,957,044,439	\$ (2,216,730,343) \$	3,740,314,096	\$ 29,532,292 \$ =======	141,565,836		3,911,412,224 \$		3,861,199,020

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## TAMPA ELECTRIC COMPANY YEAR END RATE OF RETURN INCOME STATEMENT May 2012

FSC Adjuttments    Image: Control of Fund Screen and Screen an		(1)	(2) O & M	(3)	(4)	(5)	(6)	(7) Deferred	(8) Investment Tax	(9)	(10) Total	(11) Net
Jurindicitional Per Books    2.005,000,511    853,034,338    346,844,433    223,222,545    146,128,578    (47,40,082)    124,695,653    (1551,109)    (404,448)    1,690,514,859    313,569,861    (180,324)      PFSC Adjustments    (182,510)    (142,5510)    (47,846,029)    (155,174)    (133,239)    (143,03,24)    (143,03,24)    (143,03,24)    (143,03,24)    (143,03,24)    (143,03,24)    (143,03,24)    (143,03,24)    (143,03,24)    (143,03,24)    (143,03,24)    (143,03,24)    (143,03,24)    (143,03,24)    (143,03,24)    (111,153)    (111,153)    (111,153)    (111,153)    (113,05					•					, ,	• •	
FPSC Adjuttments	System Per Books	\$ 2,022,394,044	854,218,738 \$	353,489,122 \$	227,885,091 \$	147,352,333 \$	(7,242,885) \$	128,724,732 \$	(362,454) \$	(414,115) \$	1,703,650,562 \$	318,743,482
FPSC Adjustments    (849 222 58) (847,846,029)    (847,846,029) (559,012)    (559,012) (13,39)    (78,053) (78,053)    (78,053) (79,053)    (78,053) (79,053,725)    (78,053) (79,053,725)    (78,053) (79,053,725)    (78,053,73) (79,053,725)    (79,053,725) (79,053,725)    (79,053,725) (79,053,7	Jurisdictional Per Books											313,558,861 (a)
CPR F RevenuesPenalties    (1/325,510)    (1/42,517)    (1/326)    (1/42,51)    (1/42,51)      Recoverable ECCR    (2/2,513)    (4/2,357,74)    (2/3,200)    (2/3,114)    (2/2,72,23)      Recoverable ECRC    (2/2,78,23)    (4/4,309,514)    (2/11)    (2/2,161)    (2/2,451)    (2/2,452,735)    (2/2,72,735)    (2/2,72,735)    (2/2,72,735)    (2/2,731)    (2/2,731)    (2/2,731)    (2/2,735)    (2/2,731)	FPSC Adjustments											
Recoverable ECCR - Roll    (207)    (110,946)    (111,153)    (176,665)      Recoverable ECRC    (28,726,73)    (14,391,39)    (14,309,514)    (24,564)    (28,20,23)      Recoverable ECRC    Roll    (48,002,942)    (17,09)    (14,391,39)    (24,564)    (28,508,30)    (24,564,370)      Industry Association Dues    (67,739)    (14,391,390)    (24,564)    (18,508,002)    (113,537)    (3,537)    3,537      Solaris and Watefall    (57,69)    2,222    (3,537)    (3,537)    (3,537)    (13,537)    (113,648)    (113,648)    (113,659)    (110,64,67)    (110,64,67)    (110,64,67)    (110,64,67)    (113,648)    (113,642)    (113	GPIF Revenues/Penalties	(1,925,510)	(847,846,029)			(1,385)	(742,231)				(743,616)	(1,181,894)
Reconstruite ECRC - ROI    (48,002,942)    (16,503,962)    (16,503,962)    (16,503,962)    (24,64,76)      Industly Association Dues    (5,759)    29,738    (3337)    3337      Statistic Relations    (16,929,920)    71,338    (113,593)    113,593      Statistic Relations    (40,980,620)    0    0    0    0      Franchise Fee Revenue and Expense    (40,686,511)    (46,842,970)    (46,842,970)    (46,842,970)    (46,842,970)    (10,990)      Income Tax True-up    Parent Dett Adustrent    (46,842,970)    (46,842,970)    (46,842,970)    (213,114)    (213,	Recoverable ECCR - ROI	(287,818)	(5 777)	,	(14 300 514)	(207)	(110,946)				(111,153)	(176,665)
Solaris and Waterfall    (5,759)    2,222    (3,537)    3,537      Slobcholar Revenues and Expense    (40,875,51)    0 <td>Recoverable ECRC - ROI</td> <td></td> <td>(5,777)</td> <td></td> <td>(14,309,514)</td> <td></td> <td>(18,503,802)</td> <td></td> <td></td> <td></td> <td>(18,538,366)</td> <td>(29,464,576)</td>	Recoverable ECRC - ROI		(5,777)		(14,309,514)		(18,503,802)				(18,538,366)	(29,464,576)
Pranchise Fee Revenue and Expense    (40,878,511)    (40,880,620)    (6,501)    (40,880,620)    (6,501)      Gross Receipts Tax    (40,884,097)    (46,842,015)    (16,542)    (46,853,57)    (26,340)      Income Tax True-up    5,000,675    (213,114)(	Solaris and Waterfall			,								
Income Tax True-up Parent CetX Adjustment Opt Prox Revenues and Third Party Purchase    0<	Franchise Fee Revenue and Expense			0		,	(6,901)				(40,867,521)	(10,990)
Open Profession Plan    21,994    35,023      Job Order Revenues    57,017    (9,774)    3,770    (6,004)    6,004      Interest on Tax Issues    0	Income Tax True-up					(46,842,015)	5,800,675 (213,114)				5,800,675 (213,114)	(5,800,675) 213,114
Interest on Tax Issues Acquisition Amoritzations Incentive Compensation Plan Rate Case Expense    0    0    0    0    0    0    0    197,380    197	Job Order Revenues		0				21,994				21,994	35,023
Incentive Compensation Plan Rate Case Expense    (552,341)    213,066    213,066    (339,275)    339,275      Total FPSC Adjustments    (1,058,788,539)    (847,851,806)    (58,632,009)    (14,548,789)    (88,464,854)    (13,402,609)    0    0    (1,022,900,067)    (35,888,472)      FPSC Adjusted    946,220,972    5,182,532    290,317,424    208,653,756    57,663,725    (18,142,691)    124,695,637    (351,109)    (404,483)    667,614,791    277,670,389      Pro Forma Revenue Increase and Annualization Adjustments:    0 <td>Interest on Tax Issues</td> <td></td> <td></td> <td></td> <td>(239 275)</td> <td>(82.060)</td> <td>0</td> <td></td> <td></td> <td></td> <td>0</td> <td>0</td>	Interest on Tax Issues				(239 275)	(82.060)	0				0	0
FPSC Adjusted  946,220,972  5,182,532  290,317,424  208,653,756  57,663,725  (18,142,691)  124,695,637  (351,109)  (404,483)  667,614,791  277,670,389    Pro Forma Revenue Increase and Annualization Adjustments:	Incentive Compensation Plan				(200,210)	(02,000)	213,066				(339,275)	339,275
FPSC Adjusted  946,220,972  5,182,532  290,317,424  208,653,756  57,663,725  (18,142,691)  124,695,637  (351,109)  (404,483)  667,614,791  277,670,389    Pro Forma Revenue Increase and Annualization Adjustments:		*******				*******						********
Pro Forma Revenue Increase and Annualization Adjustments:	Total FPSC Adjustments	(1,058,788,539)	(847,851,806)	(58,632,009)	(14,548,789)	(88,464,854)	(13,402,609)	0	0	0	(1,022,900,067)	(35,888,472)
Annualization Adjustments:	FPSC Adjusted	946,220,972	5,182,532	290,317,424	208,653,756	57,663,725	(18,142,691)	124,695,637	(351,109)	(404,483)	667,614,791	277,670,389
		-										
	Total Pro Forma Adjustments	0	0	0		0	0	0	0	0	0	0
Pro Forma Adjusted \$ 946,220,972 \$ 5,182,532 \$ 290,317,424 \$ 208,653,756 \$ 57,663,725 \$ (18,142,691) \$ 124,695,637 \$ (351,109) \$ (404,483) \$ 667,614,791 \$ 277,670,389	Pro Forma Adjusted						• • • • •					, .

(a) The addition of earnings from AFUDC would increase the System NOI by \$2,021,475 and Jurisdictional NOI by \$1,963,950

The calculations on this schedule were made in direct response to and according to methodology prescribed in Order No. PSC-93-0165-FOF-EI, Order No. PSC-09-0283-FOF-EI, and Order No. PSC-09-0571-FOF-EI by the Florida Public Service Commission and for that reason only. Tampa Electric Company takes the position that certain portions of these prescribed calculations may not present fairly the company's current financial status and that they should not be used for that purpose.

SCHEDULE 3 PAGE 2 OF 3

### TAMPA ELECTRIC COMPANY YEAR END RATE OF RETURN SYSTEM ADJUSTMENTS May 2012

Working Capital Adjustments		System	Retail
Fuel and ECCR	\$	(6,108,636) \$	(4,601,079)
Other: Other Return Provided Non-utility investor Funds Unamortized Rate Case Expense		(33,144,960) (4,800,755) 0 (698,771)	(24,965,077) (3,465,329) 0 (526,321)
	\$	(38,444,486) \$	(28,956,727)
Fuel Inventory	\$	(1,952,134) \$	(1,940,641)
Job Order Receivables	\$	(3,054,942) \$	(3,054,942)
ECRC	\$	(6,028,684) \$	(4,540,858)
Total Adjustments	\$ ==	(55,588,882) \$	(43,094,247)

Net Utility Plant Adjustments	System	Retail
ECRC - Plant In Service	\$ (483,048,449) \$	(471,836,272)
ECRC - Acc Deprec & Amortization	95,289,645	93,384,551
CMP	(211,279,977)	(205,267,584)
CWIP in Rate Base	145,712,372	141,565,836
Acquisition Book Value	(1,635,114)	(1,597,161)
Acquisition Accumulated Amortization	1,338,784	1,312,018
Acquisition Adjustment - Net	(3,580,041)	(3,496,944)
Total Adjustments	\$ (457,202,780) \$	(445,935,556)

Income Statement Adjustments	System O&M							Re					
FPSC Adjustments		Operating Revenue	Fuel & Net Interchange	O & M Other	Depreciation & Amortization	Taxes Other Than Income	Income Taxes Current	Operating Revenue	O & M Fuel & Net Interchange	O & M Other	Depreciation & Amortization	Taxes Other Than Income	Income Taxes Current
- Recoverable Fuel GPIF Revenues/Penalties Recoverable ECCR Recoverable ECCR - ROI Recoverable ECRC - ROI Industry Association Dues Solaris and Waterfail Stockholder Relations Civic Club Meals		(853,759,799) (1,925,510) (42,885,064) (287,818) (28,728,233) (48,002,942)	(849,030,404) (5,752)	(560,644) (42,851,774) (14,444,551) (78,160) (5,839) (187,494) 0	(14,345,434)	(589,103) (1,385) (33,290) (207) (21,610) (34,564)	(1,359,249) (742,231) (231) (110,946) 36,871 (18,503,802) 30,150 2,252 72,326 0	(849,252,583) (1,925,510) (42,885,064) (28,7,818) (28,728,231) (48,002,942)	(847,846,029) (5,777)	(559,012) (42,851,774) (14,391,329) (77.091) (5,759) (184,929) 0	(14,309,514)	(589,103) (1,365) (33,290) (207) (21,610) (34,564)	(78,093) (742,231) (231) (110,946) 2,495 (18,503,802) 29,738 2,222 71,336 0
Franchise Fee Revenue and Expense Gross Receipts Tax Income Tax True-up Parent Debt Adjustment Opt Prov Revenue and 3rd Party Purchase Job Order Revenues Economic Development Interest on Tax Issues		(40,878,511) (46,884,897) 0 57,017	0	(9,910)		(40,860,620) (46,842,015)	(6,901) (16,542) 5,933,978 (220,000) 0 21,994 3,823 0	(40,878,511) (46,884,897) 0 57,017	0	(9,774)		(40,860,620) (46,842,015)	(6,901) (16,542) 5,800,675 (213,114) 0 21,994 3,770
Acquisition Amortizations Incentive Compensation Plan Rate Case Expense				(560,000) 0	(244,597)	(83,885)	126,712 216,020 0			(552,341) 0	(239,275)	(82,060)	123,955 213,066 0
Total FPSC Adjustments Pro Forma Revenue Increase and Annualization Adjustments: - Depreciation Adjustment	\$ (	1,063,295,757) <b>\$</b>	(849,036,156) \$	(58,698,372) \$	(14,590,031) \$	(88,466,679) \$	(14,515,776) \$	(1,058,788,539) \$	(847,851,806) \$	(58,632,009) \$	(14,548,789) \$	(88,464,854) \$	(13,402,609)
Total Pro Forma Adjustments	\$	0 \$	0 \$	0 \$		0 \$	0 \$	0\$	0 \$	0 \$	0	0	0

The calculations on this schedule were made in direct response to and according to methodology prescribed in Order No. PSC-93-0165-FOF-EI, Order No. PSC-09-0283-FOF-EI, and Order No. PSC-09-0671-FOF-EI by the Florida Public Service Commission and for that reason only. Tampa Electric Company takes the position that certain portions of these prescribed calculations may not present fairly the company's current financial status and that they should not be used for that purpose.

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## TAMPA ELECTRIC COMPANY CAPITAL STRUCTURE FPSC ADJUSTED BASIS May 2012

							Low	Point	Mid	Point	Hig	h Point
AVERAGE	System Per Books	Retail Per Books	Adjus	tments Pro Rata	Adjusted Retail	Ratio (%)	Cost Rate (%)	Weighted Cost (%)	Cost Rate (%)	Weighted Cost (%)	Cost Rate (%)	Weighted Cost (%)
Long Term Debt	\$ 1,718,603,147 \$	1,718,603,147 \$	(6,021) \$	(230,013,822) \$	1,488,583,304	39.08	6.59	2.58	6.59	2.58	6.59	2.58
Short Term Debt	15,000,000	15,000,000	(4,468,510)	(1,409,499)	9,121,992	0.24	0.64	0.00	0.64	0.00	0.64	0.00
Customer Deposits	120,133,085	120,133,085		(15,059,778)	105,073,307	2.76	6.21	0.17	6.21	0.17	6.21	0.17
Common Equity	1,885,947,277	1,885,947,277	(6,607)	(252,410,769)	1,633,529,901	42.87	10.25	4.39	11.25	4.82	12.25	5.25
Deferred Income Taxes	647,725,307	647,725,307	(2,404,227)	(80,896,882)	564,424,199	14.82			-	-	-	-
Tax Credits - Weighted Cost	 10,074,469	10,074,469	(1,409)	(1,262,750)	8,810,310	0.23	8.48	0.02	9.00	0.02	9.52	0.02
Total	\$ 4,397,483,285 \$	4,397,483,285 \$	(6,886,773) \$	(581,053,498) \$	3,809,543,013	100.00		7.16		7.59		8.02

System YEAR END Per Books			Adjustments				Low Point		Mid Point		High Point		
			Retail Per Books	Specific	Pro Rata	Adjusted Retail	Ratio (%)	Cost Rate (%)	Weighted Cost (%)	Cost Rate (%)	Weighted Cost (%)	Cost Rate (%)	Weighted Cost (%)
Long Term Debt	\$	1,649,855,465 \$	1,649,855,465 \$	(4,039) \$	(217,709,106) \$	1,432,142,320	37.09	6.64	2.46	6.64	2.46	6.64	2.46
Short Term Debt		86,000,000	86,000,000	(4,468,457)	(10,758,841)	70,772,703	1.83	0.64	0.01	0.64	0.01	0.64	0.01
Customer Deposits		122,018,988	122,018,988	-	(15,061,517)	106,957,471	2.77	6.21	0.17	6.21	0.17	6.21	0.17
Common Equity		1,866,350,234	1,866,350,234	(4,568)	(246,276,993)	1,620,068,673	41.96	10.25	4.30	11.25	4.72	12.25	5.14
Deferred Income Taxes		712,657,198	712,657,198	(2,401,016)	(87,671,072)	622,585,110	16.12			-	-	•	-
Tax Credits - Weighted Cost		9,895,399	9,895,399	(1,380)	(1,221,277)	8,672,742	0.22	8.33	0.02	8.84	0.02	9.35	0.02
Total	\$	4,446,777,284 \$	4,446,777,284 \$	(6,879,459) \$	(578,698,804) \$	3,861,199,020	100.00		6.96		7.38		7.80

The calculations on this schedule were made in direct response to and according to methodology prescribed in Order No. PSC-93-0165-FOF-EI, Order No. PSC-09-0283-FOF-EI, and Order No. PSC-09-0571-FOF-EI by the Florida Public Service Commission and for that reason only. Tampa Electric Company takes the position that certain portions of these prescribed calculations may not present fairly the company's current financial status and that they should not be used for that purpose.

# TAMPA ELECTRIC COMPANY FINANCIAL INTEGRITY INDICATORS May 2012

### Earnings Before Interest 320,419,303 AFUDC - Debt 742,461 Income Taxes 121,824,370 442,986,134 Total Interest Charges (Before Deducting AFUDC - Debt) 120,764,843 Tie With AFUDC 3.67 \*\*\*\*\*\*\*\*\*\*\*\* B. Times Interest Earned Without AFUDC Earnings Before Interest 320,419,303 AFUDC - Other (1,279,014) 121,824,370 Income Taxes Total 440,964,659 Interest Charges (Before Deducting AFUDC - Debt) 120,764,843 Tie Without AFUDC 3.65 C. Percent AFUDC to Net Income Available For Common Stockholders 742,461 AFUDC - Debt x (Income Tax Rate of 38.575%) (286,404) 456,057 Subtotal AFUDC - Other 1,279,014 Total 1,735,071 Net Income Available For Common Stockholders 200,697,311

Percent AFUDC to Available Net Income

A. Times Interest Earned With AFUDC

D. Percent Internally Generated Funds	
Net Income	200,697,311
Common Dividends	(126,672,201)
AFUDC (Debt & Other)	(2,021,476)
Depreciation & Amortization	227,885,092
Deferred income Taxes	128,718,334
Investment Tax Credits	(362,512)
Deferred Clause Revenues (Expenses)	(27,289,082)
Other	7,540,261
Total	408,495,727
Construction Expenditures	
(Excluding AFUDC Other & Debt)	351,741,773
Percent Internally Generated Funds	116.14%
E. Long Term Debt as Percent of Total Capital	
F. Short Term Debt as Percent of Total Capital	
Reconciled Average Retail Amounts	
Long Term Debt	1,488,583,304
Short Term Debt	9,121,992
Common Equity	1,633,529,901
Total	3,131,235,197
% Long Term Debt to Total	47.54%
% Short Term Debt to Total	0.29%
G. FPSC Adjusted Average Jurisdictional Return On Common Equity	-
FPSC Adjusted Average Earned Rate Of Return	7.31
Less: Reconciled Average Retail Weighted Cost Rates For:	
Long Term Debt	2.58
Short Term Debt	0.00
Customer Deposits	0.17
Tax Credits-Weighted Cost (Midpoint)	0.02
Subtotal	2.77
Total	4.54
Divided By Common Equity Ratio	42.87
Jurisdictional Return On Common Equity	10.59% ========

The calculations on this schedule were made in direct response to and according to methodology prescribed in Order No. PSC-93-0165-FOF-EI, Order No. PSC-09-0283-FOF-EI, and Order No. PSC-09-0571-FOF-EI by the Florida Public Service Commission and for that reason only. Tampa Electric Company takes the position that certain portions of these prescribed calculations may not present fairly the Company's current financial status and that they should not be used for that purpose.

Whoever knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be guilty of a misdemeanor of the second degree, punishable as provided in s. 775.082, s. 775083, or s. 775.084.

0.86%

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