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BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

In the Matter of:

DOCKET NO. 20230090-EI

Petition to implement 2024 generation base
rate adjustment provisions in paragraph 4 of
the 2021 stipulation and settlement agreement,
by Tampa Electric Company.

PROCEEDINGS: COMMISSION CONFERENCE AGENDA
ITEM NO. 11

COMMISSIONERS
PARTICIPATING: CHAIRMAN ANDREW GILES FAY
COMMISSIONER ART GRAHAM
COMMISSIONER GARY F. CLARK
COMMISSIONER MIKE LA ROSA
COMMISSIONER GABRIELLA PASSIDOMO

DATE: Thursday, November 9, 2023

PLACE: Betty Easley Conference Center
Room 148
4075 Esplanade Way
Tallahassee, Florida

REPORTED BY: DEBRA R. KRICK
Court Reporter and
Notary Public in and for
the State of Florida at Large

PREMIER REPORTING
TALLAHASSEE, FLORIDA
(850) 894-0828

1 P R O C E E D I N G S

2 CHAIRMAN FAY: All right. Commissioners our
3 last item on the agenda for this morning will be
4 Item No. 11. We are going to have Mr. Hampson
5 present this item this morning. So, Mr. Hampson,
6 whenever you are ready to go.

7 MR. HAMPSON: Thank you, Commissioner.

8 Item 11 is Tampa Electric Company's petition
9 to implement the 2024 generation base rate
10 adjustment, or GBRA, provision of its 2021 rate
11 case settlement. The settlement provided for an
12 increase in base rates effective January 2024 to
13 reflect the GBRA amount of 21.3 million.

14 In this petition, TECO calculated a revised
15 GBRA amount of 21.6 million to reflect the updated
16 return on equity allowed by a trigger provision in
17 its 2021 rate case settlement. The return on
18 equity provision was approved by the Commission in
19 Order No. PSC-2022-0322-FOF-EI.

20 Staff has reviewed TECO's calculations and
21 recommends that the updated GBRA amount and
22 associated tariffs effective 2024 be approved.
23 However, staff also recommends that the Commission
24 should require TECO to file updated 2023 and 2024
25 GBRAs, which have been adjusted to reflect the

1 impacts of the Inflation Reduction Act by April
2 1st, 2024.

3 TECO and OPC are available for questions.
4 Thank you.

5 CHAIRMAN FAY: Okay. Great. Thank you.
6 All right. Commissioners, I have a few
7 questions on this one.

8 I guess, Mr. Wahlen, do you have somebody with
9 you here today you would like to introduce?

10 MR. WAHLEN: Yes. I am Jeff Wahlen of the
11 Ausley Law Firm for Tampa Electric. With me is
12 Penelope Rusk, Vice-President of Regulatory
13 Affairs.

14 CHAIRMAN FAY: Okay. Great.

15 This question might be for you, Ms. Rusk.

16 So I don't have any issues with the GBRAs, but
17 the recommendation speaks to this IRA change that's
18 occurred, and the process of getting essentially
19 trued up or adjusted for what that is. So it's my
20 understanding, you know, the IRA has lots of
21 complexities to it, but we are moving from kind of
22 a facility tax credit to a production tax credit
23 that would be utilized.

24 TECO has broad forward, I mean, in this past
25 month, I mean, somewhere \$17, I think, in bill

1 reductions from various dockets. This component in
2 itself would bring a reduction, from what I
3 understand, to customers between the difference of
4 the current tax credit and the production tax
5 credit.

6 Is there a reason that this is -- the 2023 and
7 2024 are not brought forward yet? Is it -- are you
8 still figuring out, or maybe just opine on where we
9 are.

10 MS. RUSK: Sure. So the savings are being
11 preserved for customers. Let me just say that
12 first. They have been, you know, hung up on the
13 balance sheet for now, because we do have a
14 difference of interpretation on how those tax
15 credits would be normalized. You know, investment
16 tax credits were included in the calculation of the
17 GBRA amounts, and those were normalized over the
18 life of the asset, and that was used to set our
19 rates.

20 The settlement language includes the language
21 saying that, you know, changes in tax credits would
22 be applied, and they would be normalized, and so
23 instead of applying those over the 10 years that
24 the production tax credits are granted, we felt
25 that in order to comply with the settlement, we

1 would need to normalize that, and so we are still
2 working with the parties to agree on a method of
3 treatment there.

4 CHAIRMAN FAY: Okay. Great. And that would
5 be for 2023 and 2024, correct?

6 MS. RUSK: Correct.

7 CHAIRMAN FAY: Okay. Great. And then, OPC,
8 did you have anything you wanted to ad?

9 MS. WESSLING: No, Mr. Chair. We would just
10 say that OPC will be working with all of the
11 parties to continue to find a way to recognize
12 those PTCs, and when a resolution that's agreeable
13 to all of the parties is ready, we will definitely
14 present that to you.

15 CHAIRMAN FAY: Okay. And maybe this question
16 goes to sort of both of you.

17 The recommendation speaks to April as bringing
18 that forward. Is that -- does that seem
19 reasonable? Is that something that you believe you
20 could fulfill?

21 MR. WAHLEN: Yes.

22 MS. RUSK: Yes.

23 MS. WESSLING: Yes.

24 CHAIRMAN FAY: Okay. Great.

25 All right. Commissioners, any questions or

1 comments on this?

2 All right. With that, I mean, I, once again,
3 support everything that's been brought forward by
4 the utility in the past months. I think it's great
5 for customers, and this is just another example of
6 it.

7 And I also recognize that the interpretation
8 issue is probably a problem that's created by the
9 lawyers involved in this process and not
10 necessarily others, and so I know you will work
11 through that and get to a resolution, but I do
12 think with some of these things, we want to make
13 sure that, especially like on a 2023, the turn
14 around of that difference is appropriately applied
15 for customers.

16 And recognize it's not from zero to nothing.
17 It's one type of tax credit to another, and so that
18 level might not be significant enough to really
19 change things on a monthly bill, but I think
20 bringing that forward by April will get us to that
21 result, so I appreciate you being here.

22 Commissioners, with that, I will take up a
23 motion on Item No. 11.

24 COMMISSIONER CLARK: Mr. Chairman, move to
25 approve the petition as presented.

1 COMMISSIONER GRAHAM: Second.

2 CHAIRMAN FAY: Okay. We have a motion and a
3 second.

4 All that approve say aye.

5 (Chorus of ayes.)

6 CHAIRMAN FAY: Okay. Show Item No. 11 passes.

7 Thank you again for being here.

8 All right. Commissioner, with that, that will
9 conclude our Agenda Conference. We will move next
10 to Special Agenda, which we will begin at 10:30
11 a.m. this morning.

12 Thank you.

13 (Agenda item concluded.)

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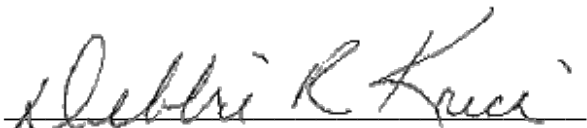
STATE OF FLORIDA)
COUNTY OF LEON)

I, DEBRA KRICK, Court Reporter, do hereby
certify that the foregoing proceeding was heard at the
time and place herein stated.

IT IS FURTHER CERTIFIED that I
stenographically reported the said proceedings; that the
same has been transcribed under my direct supervision;
and that this transcript constitutes a true
transcription of my notes of said proceedings.

I FURTHER CERTIFY that I am not a relative,
employee, attorney or counsel of any of the parties, nor
am I a relative or employee of any of the parties'
attorney or counsel connected with the action, nor am I
financially interested in the action.

DATED this 27th day of November, 2023.


DEBRA R. KRICK
NOTARY PUBLIC
COMMISSION #HH31926
EXPIRES AUGUST 13, 2024