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June 10, 2026

**VIA ELECTRONIC FILING**

Mr. Adam J. Teitzman
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 20260062-EI
Petition for Approval of Revised Depreciation Rates for Bayside Power Station Assets by Tampa Electric Company

Dear Mr. Teitzman:

Attached for filing on behalf of Tampa Electric Company are the company's answers to Staff's Second Data Request (Nos. 1-2), served via email on May 21, 2026.

Thank you for your assistance in connection with this matter.

Sincerely,

J. Jeffry Wahlen

JJW/bml
Attachment
cc: All parties of record.

REDACTED

**TAMPA ELECTRIC COMPANY**
**DOCKET NO. 20260062-EI**
**STAFF'S SECOND DATA REQUEST**
**REQUEST NO. 1**
**BATES PAGE(S): 19 - 22**
**FILED: JUNE 10, 2026**

**1.** Please provide in Excel format with formulas intact, a forecasted 2027 Earnings Surveillance Report reflecting: the requested depreciation rates in this docket, the approved 2027 Subsequent year adjustment, and all other known and measurable changes applicable to the projected 2027 period.

**ANSWER:**

Tampa Electric has not prepared its official 2027 Forecasted Earnings Surveillance Report ("ESR"). The company typically develops its official forecasted annual ESR in the first quarter of the applicable year after its annual budgeting process is complete. The company expects to prepare its 2027 Forecasted ESR in the first quarter of 2027 and to file it in March 2027 per FPSC Rule 25-6.1353.

The company has prepared a PROFORMA 2027 Surveillance Report, which is provided in Excel format via USB drive as "(BS 21) Appendix I – PROFORMA 2027 Surveillance Report". The PROFORMA 2027 ESR shows that the proposed Bayside depreciation rate and resulting expense changes would have an estimated [redacted]-basis-point impact on the company's forecasted return on equity ("ROE") in 2027. When combined with projected rate base growth for 2027 and the approved subsequent-year adjustment, this results in a projected 2027 ROE ranging from [redacted]% (based on a two-year average rate base growth) to [redacted]% (based on a three-year average rate base growth).

Here is a summary of the methods and assumptions used to prepare Appendix I:

A. The company used the 2026 Forecasted ESR as filed on February 27, 2026, as the baseline for assessing the impacts on ROE resulting from the associated adjustments. A copy of this report is provided in Excel format via USB drive titled "(BS 22) Appendix II – Forecasted 2026 Surveillance Report".

B. To provide "the approved 2027 subsequent year adjustment", the company prepared a calculation that incorporated the incremental revenue as well as the associated incremental expenses and tax-effected impact of the subsequent year adjustment.

C. To reflect "all other known and measurable changes applicable to the projected 2027 period," the company established a range of assumed rate base growth for 2027. This range was derived by considering the average annual growth over both the preceding two-year period and the preceding three-year period. Due to the timing of the forecasted earnings surveillance reporting process, this alternative approach provides a reasonable outlook by mitigating the effects of year-over-year volatility in capital spending and establishing a range of potential outcomes grounded in historical experience.

D. The company then calculated a proforma 2027 surveillance report ROE based on the assumptions noted in A through C above.

E. To provide "the requested depreciation rates in this docket", the company prepared a calculation illustrating the tax-effected depreciation expense adjustment and 13-month average rate base impact.

F. The company then calculated a PROFORMA 2027 surveillance report ROE based on the assumptions noted in A through C above and incorporated the impact of the requested depreciation rates in this docket noted in E above.

**2.** Please identify and quantify all corresponding adjustments associated with the requested depreciation rate changes, including, but not limited to: depreciation expense, accumulated depreciation reserve, net plant/rate base, deferred income taxes and ADIT balances, income tax expense, and any other revenue requirement or earnings impact resulting from the requested depreciation rate changes.

**ANSWER:**

As discussed in the company's response to Staff's Second Data Request No. 1, Appendix I identifies and quantifies the primary adjustments associated with the requested depreciation rate changes, including impacts to depreciation expense, accumulated depreciation reserve, net plant/rate base, and the resulting earnings effects. The company concluded that the approximation of ADIT impacts were not material enough to change the capital structure percentages used in Appendix I. The company did not change the capital structure percentages used in Appendix I because the approximation of ADIT impacts were not material.

Appendix I provides a reasonable and comprehensive representation of the revenue requirement and earnings impacts associated with the requested depreciation rate changes.

## CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing answers, filed on behalf of Tampa Electric Company, has been furnished by electronic mail on this 10th day of June 2026, to the following:

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