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June 29, 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 Third Data Request (Nos. 1-4), served via email on June 19, 2026.

Thank you for your assistance in connection with this matter.

Sincerely,

J. Jeffry Wahlen

JJW/bml
Attachment
cc: All parties of record.

1. TECO and OPC's "Stipulation and Settlement Agreement" (SSA), Term 3 "Depreciation Issues" reads "[. . .] the Commission should approve the Proposed Bayside Depreciation Rates to be effective July 1, 2026."

The first paragraph of "TECO's Petition for Approval of Revised Depreciation Rates for Bayside Power Station Assets," in Docket 20260062-EI, (2026 Bayside Study), stated that the Company requested an approval of revised depreciation rates to become effective January 1, 2027. Please identify the difference in the total amount of reduced depreciation expense for 2026 that results from the same petitioned new depreciation rates applied with the effective date July 1, 2026, per the SSA, versus January 1, 2027, per TECO's petition.

ANSWER:

The difference is approximately $9.5 to $9.7 million, which is slightly less than half of the $19.5 million amount shown in Table 2 to Exhibit No. NA-1.

2. Please refer to witness Allis' Direct Testimony, page 28, and Exhibit No. NA-1, page 54 of 95. Under the effective date of July 1, 2026, specified in Term 3 of the SSA, does the 2026 Bayside Study reflect any material theoretical reserve imbalances? Please explain your response.

ANSWER:

The Company's depreciation study was performed based on balances as of December 31, 2026 rather than July 1, 2026. As discussed on page 28 of Mr. Allis's testimony, as of December 31, 2026 Mr. Allis did not find material theoretical reserve imbalances. Mr. Allis would not expect a six month difference in effective date to significantly change the resulting depreciation rates and theoretical reserve imbalances. As a result, Mr. Allis does not believe there would be any material theoretical reserve imbalances as of a July 1, 2026 effective date.

3. Please refer to witness Allis' Direct Testimony, Exhibit No. NA-1, pages 51 - 54 of 95.

a. Please provide an update to Table 2 "Comparison of Annual Depreciation Rates and Accruals for Electric Plant as of December 31, 2026, Based on Existing and Proposed Depreciation Parameters" to reflect the effective date of July 1, 2026, per the SSA.

b. Please provide an update to Table 3 "Comparison of Theoretical Reserve and Book Reserve for Electric Plant as of December 31, 2026" to reflect the effective date of July 1, 2026, per the SSA.

ANSWER:

a. The calculation date used in the 2026 Bayside Depreciation Study is December 31, 2026. The settling parties in this case agreed in the SSA to the depreciation rates in the depreciation study. Neither Mr. Allis nor the Company has performed a calculation of proposed depreciation rates as of July 1, 2026. Depreciation studies are most commonly performed on year-end calculation dates. In Mr. Allis's experience, a change of six months in the calculation date does not normally result in significant changes in the resultant depreciation rates. Thus, while the Company has not performed the requested calculation, it does not expect that the resulting depreciation rates would be significantly different from those calculated in the 2026 Bayside Depreciation Study. Moreover, the use of the remaining life technique in depreciation studies adjusts for any imprecisions or inaccuracies in past depreciation rates.

b. Please see the response to part a of this request and the response to Staff's Third Data Request No. 2.

4. TECO's response to Staff's First Data Request, Nos. 2(d) and (e), reads "Rather than propose revenue requirements for the solar assets or other projects excluded from 2027 SYA revenues - which would increase 2027 customers' bills, the company is proposing a 2027 depreciation expense reduction - which would not increase customers' bills."

a. If the SSA is approved by the Commission, please explain whether the Company still intends to proceed with "the solar assets or other projects excluded from 2027…" without increasing customers' bills.

b. If your response to Question (a) above is affirmative, please provide the following information as available:

i) the name of each solar plant/other project,

ii) the expected installation/activation date of each solar plant/other project,

iii) the degree of certainty of each solar plant/other project's installation and activation dates,

iv) the annualized costs (retail jurisdictional) of each solar plant/other project in 2026 and 2027 following installation/activation, and

v) the annualized fuel savings applicable to retail customers associated with each solar plant/other project's offsetting such plant costs?

vi) whether the base rate freeze term in the SSA is applicable to each solar plant/other project.

ANSWER:

a. Yes, the company is proceeding with construction of solar assets and other projects that were excluded from the company's 2027 Subsequent Year Adjustment ("SYA") requested during Tampa Electric's 2024 Rate Case (Docket No. 20240026-EI). The company's settlement agreement does not include cost recovery or request any other action on the solar generation projects or other projects that were excluded from Tampa Electric's 2027 SYA. However, the company provides the following information about its solar project additions for purposes of comparison to the actual relief requested and issues resolved by the settlement agreement.

The 2027 SYA proposal included $33.1 million in revenue requirements for 242.2 MW of solar generation additions to be placed in service during 2026.[1] In the 2024 Rate Case final order,[2] the Commission noted that while the solar projects included in the 2027 SYA were not approved during the 2024 Rate Case proceedings, the company could return to the Commission to request a rate adjustment for those solar projects in a future proceeding closer to the in-service date of the generating facilities.

Rather than proceed with such a filing, Tampa Electric developed its depreciation change proposal, which mitigates the loss of the SYA solar project revenue without a corresponding customer rate increase during 2027. The depreciation change alternative will benefit customers because it will provide some financial relief for the company, reduce the frequency and administrative expense of more frequent base rate cases or limited proceedings, and will not increase base rates for those solar projects during 2027. The resulting lower depreciation expense will continue to result in lower depreciation expense and therefore lower customer rates in future rate cases. Approval of this settlement agreement will allow Tampa Electric to defer a request for cost recovery of these solar projects to its next base rate case.

b. As previously stated in response to part a of this request, the 2027 SYA proposal included $33.1 million in revenue requirements for 242.2 MW of solar generation additions to be placed in service during 2026. At that time, the company also planned to place in-service 149.0 MW of solar generation during 2027.[3] Following the Rate Case decision, the company slightly adjusted the timing of its solar plans to reflect the addition of 166.5 MW during 2026 and 191.2 MW of solar plant

[1] Docket No. 2024-0026-EI: Exhibit RL-1, Document No. 5, Document No. 01512-2024 and direct testimony of K. Stryker, Document No. 01495-2024
[2] Docket No. 2024-0026-EI, Order No. PSC-2025-0038-FOF-EI
[3] Tampa Electric 2024 Ten Year Site Plan, https://www.floridapsc.com/pscfiles/website-files/PDF/Utilities/Electricgas/TenYearSitePlans/2024/Tampa%20Electric%20Company.pdf

additions during 2027, resulting in a deferral of 42.2 MW from 2026 to 2027.[4]

A rate request for the 166.5 MW of solar additions to be placed in service during 2026 represents an estimated $22.7 million revenue requirement, effective January 1, 2027.[5]

i)

Solar Project	Capacity	In-Service Date
Mattaniah Solar	52.0 MW	12/2026
Brewster Solar	40.0 MW	12/2026
Wimauma (now Keene Branch)	74.5 MW	12/2026

ii) See the response to part b.i of this request.

iii) The company is confident in its ability to execute these projects and achieve the in-service dates described in part b.i of this request.

iv) See the response to part b of this request.

v) Tampa Electric does not have the specific information requested. However, as shown in the 2024 Rate Case direct testimony of Jose Aponte, the expected total fuel savings for the proposed projects was $385.7 million, and it is reasonable to assume the Mattaniah, Brewster, and Wimauma (now Keene Branch) projects, as scheduled for placement in service during 2026, will generate approximately $260 million in fuel savings (based on expected pro rata fuel savings for the same or similar projects with in-service dates of December 2026), or on average $8.6 million per year.

vi) The base rate freeze term in the SSA is aplicable to the solar projects named in this response. Tampa Electric would not request cost recovery for these solar projects in rates effective before January 1, 2028. Also see the response to part a of this request.

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[4] Tampa Electric 2026 Ten Year Site Plan, Document No. 01922-2026
[5] $33.1 million * (166.5 MW / 242.2 MW) = $22.7 million

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 29th day of June 2026, to the following:

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