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April 2, 2024

**ELECTRONIC FILING**

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

Re: Docket 20240026-EI; Petition for Rate Increase by Tampa Electric Company

Dear Mr. Teitzman:

Attached for filing on behalf of Tampa Electric Company in the above-referenced docket is the Direct Testimony of Jeff Chronister and Exhibit No. JC-1.

Thank you for your assistance in connection with this matter.

(Document 17 of 32)

Sincerely,

A handwritten signature in blue ink, appearing to read 'J. Jeffrey Wahlen', with a long horizontal flourish extending to the right.

J. Jeffrey Wahlen

cc: All parties

JJW/ne  
Attachment



**BEFORE THE  
FLORIDA PUBLIC SERVICE COMMISSION**

**DOCKET NO. 20240026-EI  
IN RE: PETITION FOR RATE INCREASE  
BY TAMPA ELECTRIC COMPANY**

**PREPARED DIRECT TESTIMONY AND EXHIBIT  
OF  
JEFF CHRONISTER**



**TABLE OF CONTENTS**  
**PREPARED DIRECT TESTIMONY AND EXHIBIT**  
**OF**  
**JEFF CHRONISTER**

(1)	FINANCIAL PROFILE CHANGES FROM THE COMPANY'S LAST RATE CASE .....	7
(2)	FINANCIAL INTEGRITY AND CREDIT RATINGS.....	21
(3)	CAPITAL STRUCTURE AND WEIGHTED AVERAGE COST OF CAPITAL.	36
(4)	FUTURE FINANCIAL PROJECTIONS AND REGULATORY OPTIONS....	43
(5)	SUMMARY.....	47
	EXHIBIT.....	48

1                                   **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2                                   **PREPARED DIRECT TESTIMONY**

3                                   **OF**

4                                   **JEFF CHRONISTER**

5  
6   **Q.**   Please state your name, address, occupation, and employer.

7  
8   **A.**   My name is Jeff Chronister. My business address is 702  
9           North Franklin Street, Tampa, Florida 33602. I am employed  
10          by Tampa Electric Company ("Tampa Electric" or the  
11          "company") as Vice President Finance.

12  
13   **Q.**   Please describe your duties and responsibilities in that  
14          position.

15  
16   **A.**   I am responsible for maintaining the financial books and  
17          records of the company and for the determination and  
18          implementation of accounting policies and practices for  
19          Tampa Electric. I am also responsible for budgeting  
20          activities within the company, which includes business  
21          planning and financial planning & analysis, as well as  
22          general accounting, regulatory accounting, plant  
23          accounting, tax accounting, financial reporting, accounts  
24          payable and payroll.

1 **Q.** Please summarize your educational background and business  
2 experience.

3

4 **A.** I graduated from Stetson University in 1982 with a Bachelor  
5 of Business Administration degree in Accounting. I became  
6 a Certified Public Accountant in the State of Florida in  
7 1983. Upon graduation I joined Coopers & Lybrand, an  
8 independent public accounting firm, where I worked for four  
9 years before joining the company in 1986. I started in  
10 Tampa Electric's Accounting department, moved to TECO  
11 Energy's Internal Audit department in 1987, and returned  
12 to the Accounting department in 1991. I have led Tampa  
13 Electric's Accounting department since 2003, and I led the  
14 Peoples Gas Accounting department from 2009 to 2018. I  
15 became Vice President Finance for Tampa Electric in 2018.

16

17 For the last six years, I have been responsible for  
18 treasury and finance functions, including short-term and  
19 long-term debt, cash management and debt compliance. In  
20 addition, my team works with Emera financial personnel on  
21 debt issuances, and preparation of financial information  
22 and communications for credit rating agencies and  
23 investment analysts.

24

25 **Q.** Have you previously testified before the Florida Public

1 Service Commission ("FPSC" or the "Commission")?  
2

3 **A.** Yes. I have testified or filed testimony before this  
4 Commission in several dockets.

5  
6 I testified for Tampa Electric in Docket No. 20210034-EI,  
7 which was Tampa Electric's last base rate proceeding.

8  
9 I filed testimony in the following dockets:

10 (1) Docket No. 20130040-EI, Tampa Electric Company's  
11 Petition for An Increase in Base Rates and  
12 Miscellaneous Service Charges;

13 (2) Docket No. 20080317-EI, Tampa Electric Company's  
14 Petition for An Increase in Base Rates and  
15 Miscellaneous Service Charges;

16 (3) Docket No. 19960007-EI, Tampa Electric's  
17 Environmental Cost Recovery Clause;

18 (4) Docket No. 19960688-EI, Tampa Electric's  
19 environmental compliance activities for purposes of  
20 cost recovery;

21 (5) Docket No. 20170271-EI, Petition for recovery of costs  
22 associated with named tropical systems during the  
23 2015, 2016, and 2017 hurricane seasons and  
24 replenishment of storm reserve subject to final true-  
25 up; and

1 (6) Docket No. 20200144-EI, Petition for Limited  
2 Proceeding to True-Up First and Second SoBRA by Tampa  
3 Electric Company.  
4

5 I also served on a panel of witnesses during the final  
6 hearing in Docket No. 20200065-EI, which addressed the  
7 company's amortization reserve for intangible software  
8 assets.  
9

10 **Q.** What are the purposes of your direct testimony?  
11

12 **A.** The purposes of my direct testimony are to explain how the  
13 company's financial profile has changed from its last rate  
14 case; discuss the importance of Tampa Electric's financial  
15 integrity and credit ratings; present the company's  
16 proposed capital structure and weighted average cost of  
17 capital for the 2025 test year; and describe the company's  
18 projected financial condition for 2026 and 2027 and  
19 regulatory options for those years including the company's  
20 request for subsequent year adjustments ("SYA"). I explain  
21 why the Commission should approve the company's proposed  
22 54 percent equity ratio (investor sources) as part of my  
23 capital structure discussion.  
24

25 **Q.** Have you prepared an exhibit to support your direct

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23  
24  
25

testimony?

**A.** Yes, Exhibit JC-1, entitled the Exhibit of Jeff Chronister, was prepared under my direction and supervision. The contents of my exhibit were derived from the business records of the company and are true and correct to the best of my information and belief. It consists of two documents, as follows:

- |                |  |
|----------------|--|
| Document No. 1 | List of Minimum Filing Requirement Schedules Sponsored or Co-Sponsored by Jeff Chronister                              |
| Document No. 2 | Final Oder No. PSC-2021-0423-S-EI Approving 2021 Stipulation and Settlement Agreement (without Attachment C - Tariffs) |

**Q.** Do you sponsor any sections of Tampa Electric's Minimum Filing Requirement ("MFR") Schedules?

**A.** Yes. I sponsor or co-sponsor the MFR Schedules listed in Document No. 1 of my exhibit. The contents of these MFR Schedules were derived from the business records of the company and are true and correct to the best of my information and belief.

1   **Q.**   How does your prepared direct testimony relate to the  
2           prepared direct testimony of other company witnesses?  
3

4   **A.**   My testimony explains and supports the company's proposed  
5           2025 capital structure and weighted average cost of capital  
6           (overall rate of return). Tampa Electric witness Dylan  
7           D'Ascendis's testimony supports the company's proposed  
8           mid-point return on equity ("ROE") of 11.50 percent, which  
9           is one of the inputs to the calculation of the company's  
10          overall rate of return. Tampa Electric witness Valerie  
11          Strickland's testimony explains the income tax related  
12          components in our proposed capital structure.

13  
14          Tampa Electric witness Richard Latta's direct testimony  
15          explains the company's proposed 2025 test year; its  
16          budgeting process and 2025 budget; its proposed 2025 rate  
17          base, net operating income, and 2025 proposed revenue  
18          requirement increase; and the revenue requirements for the  
19          company's 2026 and 2027 SYA. He uses the proposed 2025  
20          capital structure and overall weighted average cost of  
21          capital discussed in my testimony in his calculation of  
22          the company's proposed 2025 revenue requirement increase.

23  
24          My testimony also discusses the company's need for capital  
25          to pay for the projects and activities necessary to

1 continue improving the efficiency, sufficiency, and  
2 adequacy of the company's facilities and services, and to  
3 continue improving the safety, security, reliability, and  
4 resilience of the company's operations. These projects and  
5 activities are explained by our President and Chief  
6 Executive Officer Archie Collins and our operating  
7 witnesses. Mr. Latta explains how they become part of the  
8 financial budgets we use to plan and manage our operations.  
9 My testimony explains why maintaining Tampa Electric's  
10 financial integrity is important to the company, its  
11 customers, and its ability to raise capital on reasonable  
12 terms and conditions.

13  
14 **(1) FINANCIAL PROFILE CHANGES FROM THE COMPANY'S LAST RATE CASE**

15 **Q.** How has Tampa Electric's financial profile changed since  
16 its last rate case in 2021?

17  
18 **A.** Our last rate case was filed in April 2021 and concluded  
19 when the Commission approved the 2021 Stipulation and  
20 Settlement Agreement between Tampa Electric and the parties  
21 ("2021 Agreement"). Document No. 2 of my exhibit is  
22 excerpts from the Order approving the 2021 Agreement.

23  
24 From the actual 13-month average in 2022 (the test year in  
25 the previous case) to the projected 13-month average in



1 2025 (the test year in this filing), rate base has grown  
2 \$2.2 billion, or by about nine percent a year by investing  
3 capital in assets to serve our growing customer base and  
4 improve our systems. This level of rate base growth  
5 reflects a deliberate and thoughtful approach to improving  
6 the efficiency, sufficiency, and adequacy of the company's  
7 facilities and services, and the company's reasonable and  
8 prudent efforts to continue improving the safety, security,  
9 reliability, and resilience of the company's operations.

10  
11 The company's rate base growth has affected other parts of  
12 its financial profile. All other things being equal,  
13 increasing rate base increases depreciation expense,  
14 operations and maintenance ("O&M") expenses, and taxes  
15 other than income taxes (primarily ad valorem taxes),  
16 because there are more assets to depreciate and to operate  
17 and maintain, and that are subject to property taxes.  
18 Despite our rate base growth and the impacts of inflation,  
19 we have been able to keep our other O&M expense growth  
20 since 2021 under the Commission's benchmark. Financial  
21 market changes, including higher interest rates, have  
22 increased our overall cost of capital since 2021.

23  
24 **Q.** How do these changes influence the company's proposed 2025  
25 rate increase request?

1 **A.** Our rate base growth since 2022 has a 2025 revenue  
2 requirement impact of approximately \$185 million. Higher  
3 depreciation expense, caused by rate base growth and higher  
4 proposed depreciation rates, has a revenue requirement  
5 impact in 2025 of about \$160 million. The effect of higher  
6 O&M expenses, taxes other than income taxes, and cost of  
7 capital have a 2025 revenue requirement impact of  
8 approximately \$45 million, \$20 million, and \$145 million,  
9 respectively. These impacts total approximately \$555  
10 million.

11  
12 **Q.** If the collective impact of the items above is  
13 approximately \$555 million, why is the company's request  
14 for revenue increase for 2025 only \$296.6 million?

15  
16 **A.** Three things have tempered the company's 2025 revenue  
17 increase request: (a) incremental revenue provided in the  
18 2021 Agreement, (b) general revenue from load growth, and  
19 (c) lower income tax expense attributable to the company's  
20 decision to claim the production tax credit ("PTC") for  
21 solar assets placed in service after January 1, 2022.

22  
23 **Q.** Please explain further.

24  
25 **A.** The 2021 Agreement provided incremental revenue in 2023

1 and 2024 through generation base rate adjustments ("GBRA")  
2 and a ROE Trigger. The GBRA provided cost recovery for the  
3 company's Big Bend Modernization project and certain new  
4 solar generating facilities ("Solar Wave 2"). The annual  
5 dollar increases for the two GBRA and the ROE trigger were  
6 approximately \$90 million, \$20 million and \$10 million,  
7 respectively, for a total of \$120 million.

8  
9 Load growth, since 2022, is expected to generate  
10 incremental base revenues of approximately \$65 million in  
11 2025.

12  
13 Income tax expense in 2025 is projected to be over \$70  
14 million lower than the actual expense in 2022, primarily  
15 due to the company's decision to elect the PTC and other  
16 items discussed in the testimony of Ms. Strickland.

17  
18 These factors total approximately \$255 million. The  
19 difference between the \$555 million above and the  
20 counterbalancing factors of \$255 million equal  
21 approximately \$300 million.

22  
23 **Q.** Are the changes in the expense elements referred to above  
24 reasonable?  
25

1 **A.** Yes. Depreciation, O&M, taxes other than income and  
2 interest expense have increased as a result of asset growth  
3 to serve customers as well as economic conditions during  
4 the settlement period. I will discuss each expense element  
5 in more detail below.  
6

7 **Q.** How has depreciation expense changed, and is the change  
8 reasonable?  
9

10 **A.** The company's 2025 Jurisdictional Adjusted Depreciation &  
11 Amortization Expense is forecasted to be \$158.5 million  
12 higher than the actual amount for 2022. This change is  
13 reasonable given (a) the company's Jurisdictional Adjusted  
14 Plant in Service growth of roughly \$1 billion per year,  
15 and (b) the \$56.3 million impact of the company's  
16 Depreciation and Dismantlement Study, which was filed on  
17 December 27, 2023, in Docket No. 20230139-EI. The increases  
18 in new depreciation rates results in a 2025 expense  
19 increase of \$46.9 million and the increase in the new  
20 dismantlement accrual results in a 2025 expense increase  
21 of \$9.4 million. These changes are discussed further by  
22 Tampa Electric witnesses Ned Allis and Jeff Kopp in their  
23 direct testimony.  
24

25 **Q.** Is the forecasted amount for 2025 O&M expense reasonable?

1 **A.** Yes. The company's 2025 Adjusted O&M expense (the sum of  
2 O&M Other, Fuel and Purchased Power) is \$71.9 million lower  
3 than the Commission Benchmark amount. The Commission's O&M  
4 Benchmark test measures a company's projected test year  
5 O&M expense levels against the O&M expense levels in a  
6 benchmark year (2020 in this case) escalated annually by a  
7 multiplier reflecting inflation and customer growth. The  
8 company's results against the O&M Benchmark are shown on  
9 MFR Schedule C-37. Being more than \$70 million below the  
10 benchmark is important evidence that the company's efforts  
11 to control O&M expenses have worked, and that our projected  
12 2025 O&M expense levels are reasonable.

13  
14 **Q.** What is the performance against the O&M benchmark for 2025  
15 in each of the company's functional expense groups?

16  
17 **A.** Tampa Electric is well below the benchmark in all  
18 functional areas, except for the Production area. The  
19 benchmark difference in Production is caused by planned  
20 outage timing and solar operations expansion. Tampa  
21 Electric witness Carlos Aldazabal explains their  
22 influences further in his testimony.

23  
24 The functional expense groups where our projected 2025  
25 level of O&M expenses are under the benchmark, and the

1 amounts by which they are under are:

2

3	Transmission	\$4.6 million under
4	Distribution	\$13.4 million under
5	Customer Accounts	\$6.5 million under
6	Customer Service and Information	\$2.4 million under
7	Sales Expenses	\$0.02 million under
8	Administrative and General	\$56.0 million under

9

10 **Q.** Did inflation impact the company during the 2022 to 2024  
11 settlement period?

12

13 **A.** Yes. General inflation increased the prices Tampa Electric  
14 pays for the goods and services it uses to provide service  
15 to customers. As noted by Mr. Collins in his testimony,  
16 the cost of transformers, substation equipment,  
17 switchgears, and poles, increased from 2021 to 2023 by 49  
18 percent, 36 percent, 21 percent, and 34 percent  
19 respectively. The price of Grain Oriented Electrical Steel  
20 ("GOES") doubled since January 2020, and the price of  
21 copper increased by 50 percent over the same period.  
22 Distribution line contractor rates have increased over 45  
23 percent since 2021. Tampa Electric witness Lori Cifuentes  
24 discusses the general level of inflation in her direct  
25 testimony.

1     **Q.**    Has the company experienced other cost increases during  
2            the settlement period?

3

4     **A.**    Yes. Company labor costs, bad debt expense, and the cost  
5            of property and casualty insurance have all gone up due to  
6            general economic conditions and market forces beyond the  
7            control of the company. Tampa Electric witnesses Marian  
8            Cacciatore, Karen Sparkman, and Mr. Latta discuss these  
9            increases in their direct testimony.

10

11    **Q.**    What did Tampa Electric do to counteract these price  
12            increases?

13

14    **A.**    Our proposed overall 2025 O&M expense level is well below  
15            the Commission's benchmark because the company focused on  
16            cost control and made business decisions to counteract  
17            upward cost pressures. The list of items that result in  
18            positive impact include:

19

20            (1) The company has a culture that focuses on process  
21            improvements, operational optimization, technology  
22            enhancements and innovations for efficiency. As a result,  
23            the company's O&M expense average annual growth rate from  
24            2013 to 2023 was roughly one half of one percent.

25

1 (2) The company monitors market conditions and  
2 opportunities to lower expenses through prudent decision-  
3 making. An example of this is the change in the cost for  
4 providing medical coverage for retirees. With interest  
5 rates elevated, a higher discount rate was used to  
6 calculate the actuarial obligation, which lowered the 2025  
7 expense. In addition, we replaced one of our retiree  
8 pharmacy providers with a fully insured pharmacy option.  
9 The combination of these two changes resulted in almost \$3  
10 million of expense reduction in 2025.

11  
12 (3) The company recognizes that with the growth in capital  
13 investments comes the opportunity to appropriately charge  
14 a greater amount of Administrative & General ("A&G")  
15 Expense to capital. From 2020 to 2023, the company  
16 increased the amount of A&G capitalized by \$10 million.  
17 The forecasted 2025 expense reflects this \$10 million  
18 expense reduction from the 2020 amount.

19  
20 (4) 2025 O&M expense is lower by \$5.5 million due to the  
21 ten-year amortization of the \$55 million revenue  
22 requirement benefit from PTC deferred during the term of  
23 the 2021 Agreement. Consistent with the 2021 Agreement,  
24 the company established a regulatory liability over the  
25 period 2022 to 2024 so that customers would receive all of



1 the benefits of the Production Tax Credits related to our  
2 investments in solar generation placed in service since  
3 2022. Ms. Strickland discusses PTC impacts in further  
4 detail in her testimony.

5  
6 **Q.** What caused the increase in the expense for taxes other  
7 than income ("TOTI") since 2022?

8  
9 **A.** Our TOTI increased from \$83.9 million to \$101.6 million  
10 from 2022 to 2025, which is an increase of approximately  
11 seven percent per year. The predominant component of TOTI  
12 is ad valorem property tax expense, which reflects the  
13 local property taxes levied on the assets we use to serve  
14 our customers. Property taxes have grown at the same  
15 reasonable pace as the growth of our assets to serve  
16 customers. The overall amount of TOTI in the test year is  
17 reasonable.

18  
19 **Q.** Please describe the recent changes to Peoples' legal  
20 structure and how it impacted Tampa Electric Company.

21  
22 **A.** Effective January 1, 2023, the assets, liabilities, and  
23 equity of the Peoples Gas System, a division of Tampa  
24 Electric Company were transferred into a separate  
25 corporation named Peoples Gas System, Inc., which is a

1 wholly owned subsidiary of newly formed gas operations  
2 holding company, TECO Gas Operations, Inc., which is a  
3 subsidiary of TECO Energy, Inc. I will refer to this  
4 transaction as the "2023 Transaction" in the remainder of  
5 my direct testimony.

6  
7 **Q.** How did the 2023 Transaction impact Tampa Electric?  
8

9 **A.** During 2023, Tampa Electric provided short-term debt  
10 funding to Peoples through the Intercompany Debt Agreement  
11 at Tampa Electric's prevailing cost of short- and long-  
12 term debt borrowings. The Intercompany Debt Agreement  
13 remained outstanding until December 20, 2023 when Peoples  
14 obtained their own stand-alone financing and repaid Tampa  
15 Electric all principal and interest due on the Intercompany  
16 Debt Agreement in the amount of \$956 million in addition  
17 to \$38 million in interest accrued subsequent to January  
18 1, 2023. Peoples has now (1) established its own  
19 independent credit rating(s), (2) made short- and long-  
20 term borrowing arrangements with its lenders, and (3) paid  
21 off its obligations under the Intercompany Debt Agreement  
22 with Tampa Electric.  
23

24 **Q.** How will the 2023 Transaction impact Tampa Electric  
25 borrowing costs in 2024 and 2025?

1     **A.**     The 2023 Transaction and Peoples repayment of their Tampa  
2     Electric debt will result in a projected decrease in Tampa  
3     Electric's borrowing cost starting in 2024. Tampa Electric  
4     was able to use the proceeds from the People's repayment  
5     to repay short term debt outstanding that would have  
6     otherwise been refinanced with long-term debt issued at  
7     market interest rates that were at the time approximately  
8     100 basis points higher than the interest rates of the  
9     long-term debt previously allocated to Peoples and absorbed  
10    by Tampa Electric upon the repayment of the intercompany  
11    debt agreement by Peoples.

12  
13    **Q.**     Has Tampa Electric realized any other recent savings  
14    impacting the company's cost of debt.

15  
16    **A.**     The company's weighted-average interest rate on borrowings  
17    outstanding under the credit facilities and commercial  
18    paper at December 31, 2023 and 2022 was 5.7 percent and  
19    5.0 percent, respectively. On January 30, 2024, Tampa  
20    Electric completed a five-year term, \$500 million bond  
21    issuance at a 4.90 percent interest rate ("2029 Notes").  
22    Given the rise in interest rates experienced in 2023 and  
23    2022, Tampa Electric benefited from not accessing the debt  
24    markets in 2023 and then in January of 2024, issuing long-  
25    term debt below the weighted average cost of debt

1 experienced by the company in 2023. The company's strategic  
2 approach to debt financing is a testament to Tampa  
3 Electric's favorable credit standing and targeted approach  
4 to access the capital markets at times that help the  
5 company achieve its goal of securing a lower cost of debt.  
6

7 **Q.** Does Tampa Electric expect to be involved in any other  
8 corporate restructuring in 2024?  
9

10 **A.** Yes. TECO Energy plans to move Tampa Electric and Peoples  
11 Gas System, Inc. into a new holding company to be wholly  
12 owned by Emera US Holdings, Inc. ("EUSHI"). This nontaxable  
13 transaction will likely be executed before the final rates  
14 in this case are approved and will serve to segregate the  
15 utility operations in Florida from those in other states.  
16 It will have no impact on the affiliate costs allocated to  
17 or from Tampa Electric.  
18

19 **Q.** Did the company's financial profile as shown in the MFR  
20 Schedules change in any other major way?  
21

22 **A.** Yes. The 2021 Agreement established a Clean Energy  
23 Transition Mechanism ("CETM"), which changed the way  
24 certain assets are reflected in our financial statements.  
25 CETM assets and expenses do not affect the revenue request

1 in this filing.

2  
3 The CETM assets and transactions are presented in the 2023,  
4 2024 and 2025 MFR Schedules according to the accounting  
5 treatment implemented in our company's books and records  
6 when the 2021 Agreement went into effect. This treatment  
7 involved re-classifying the related assets and reserve  
8 balances from Property, Plant and Equipment accounts into  
9 Regulatory Asset (182) accounts. The CETM income statement  
10 transactions are recorded in the appropriate FERC accounts  
11 related to regulatory assets.

12  
13 On the rate base MFR Schedules, the CETM rate base amount  
14 is reflected in the System Per Books Working Capital. Since  
15 CETM recovery is outside of base rates, the CETM rate base  
16 amount is adjusted out so that it is not reflected in  
17 Jurisdictional Adjusted Rate Base. Likewise, on the net  
18 operating income MFR Schedules, the CETM transactions are  
19 reflected in the System Per Books amounts, and then  
20 adjusted out so that they are not reflected in the  
21 Jurisdictional Adjusted NOI amounts. Tampa Electric  
22 witness Ashley Sizemore explains the company's proposed  
23 update to the CETM in her direct testimony.

24  
25 **Q.** Given the financial changes discussed above, what net

1 operating income is forecasted for the company's test year  
2 and what return does that represent?

3  
4 **A.** Tampa Electric's 2025 Jurisdictional Adjusted net  
5 operating income is forecasted to be \$501.4 million. As  
6 shown on MFR Schedule A-1, without the rates we seek in  
7 this petition, that net operating income would result in a  
8 rate of return of 5.12 percent. This would equate to a ROE  
9 of 6.70 percent in 2025. As shown on MFR Schedule D-9, the  
10 effect on the company's financial integrity indicators  
11 would be substantially negative and could negatively impact  
12 the credit ratings of Tampa Electric. In the next section  
13 of my testimony, I will discuss the importance of financial  
14 integrity and credit ratings.

15  
16 **(2) FINANCIAL INTEGRITY AND CREDIT RATINGS**

17 **Q.** What is financial integrity?

18  
19 **A.** Financial integrity refers to a relatively stable condition  
20 of liquidity and profitability in which the company can  
21 meet its financial obligations to investors while  
22 maintaining the ability to attract investor capital as  
23 needed on reasonable terms, conditions, and costs.

24  
25 **Q.** How is financial integrity measured?

1     **A.**    Financial integrity is a function of financial risk, which  
2            represents the risk that a company may not have adequate  
3            cash flows to meet its financial obligations. The level of  
4            cash flows and the percentage of debt, or financial  
5            leverage, in the capital structure is a key determinant of  
6            financial integrity. As the percentage of debt in the  
7            capital structure increases so do the fixed obligations  
8            for the repayment of that debt. Consequently, as financial  
9            leverage increases the level of financial distress  
10           (financial risk) increases as well. Therefore, the  
11           percentage of internally generated cash flows compared to  
12           these financial obligations is a primary indicator of  
13           financial integrity and is relied upon by rating agencies  
14           when they assign debt ratings.

15  
16     **Q.**    Why is financial integrity important to Tampa Electric and  
17            its customers?

18  
19     **A.**    As a regulated utility, Tampa Electric has an obligation  
20            to provide electric service to customers in accordance with  
21            its tariff, and the statutes and rules regulating its  
22            activities. Meeting customer demand for electric service  
23            requires the company to make significant investments in  
24            utility property, plant, and equipment, both planned and  
25            unplanned, which makes Tampa Electric very capital

1 intensive. Tampa Electric expects to invest almost \$3  
2 billion dollars to serve customers from January 1, 2024,  
3 to December 31, 2025.

4  
5 Tampa Electric's customers benefit directly from the  
6 company's infrastructure investments. For example,  
7 transmission and distribution system investments enhance  
8 service reliability by mitigating storm damage and  
9 facilitating efficient service restoration, generating  
10 fleet modernization investments improve fuel efficiency  
11 thus lowering fuel costs for customers and reducing  
12 emissions, and new technology projects improve the  
13 efficiency of the company's operations and overall customer  
14 experience. Maintaining a strong financial position allows  
15 the company to finance infrastructure investments in  
16 support of an improved system at a lower cost than would  
17 otherwise be possible.

18  
19 Financial integrity is also important to ensure access to  
20 capital. Tampa Electric's responsibility to serve is not  
21 contingent upon the health or the state of the financial  
22 markets. In times of constrained access to capital and  
23 depressed market conditions, only those utilities  
24 exhibiting financial integrity can attract capital under  
25 reasonable terms providing significant and potentially



1 critical flexibility. Tampa Electric has a limited ability  
2 to adjust the timing and amount of major capital  
3 expenditures to align with economic cycles or wait out  
4 market disruptions.

5  
6 The strength of Tampa Electric's balance sheet and its  
7 financial flexibility are important factors influencing  
8 its ability to finance major infrastructure investments as  
9 well as manage unexpected events. Financial integrity is  
10 essential to supporting the company's need for capital.  
11 Tampa Electric competes in a global market for capital,  
12 and a strong balance sheet with appropriate rates of return  
13 attracts capital market investors. Financial strength and  
14 flexibility enable Tampa Electric to have ready access to  
15 capital with reasonable terms and costs for the long-term  
16 benefit of its customers.

17  
18 **Q.** Is the company's requested revenue requirement and rate  
19 increase for 2025 needed to maintain the company's  
20 financial integrity?

21  
22 **A.** Yes. The company's requested level of 2025 rate relief is  
23 needed to maintain the company's financial integrity  
24 indicators and other key credit metrics at levels similar  
25 to the recent levels that have supported the company's

1 current credit ratings. Without rate relief, these metrics  
2 would substantially deteriorate in 2025, and would continue  
3 to deteriorate beyond 2025 as capital spending increases  
4 and earned returns decline. Such deterioration would not  
5 support Tampa Electric's current credit ratings and would  
6 have negative implications for the company's credit  
7 ratings, borrowing costs, and access to capital.

8  
9 **Q.** How will the company's proposed base rate increase affect  
10 Tampa Electric's financial integrity?

11  
12 **A.** The requested base rate increase will place Tampa Electric  
13 in a prudent and responsible financial position to fund  
14 its capital program and continue providing safe and  
15 reliable electric service to its customers. To raise the  
16 required capital, the company must be able to provide fair  
17 returns to lenders and investors commensurate with the  
18 risks they assume. Having a strong financial position will  
19 ensure that Tampa Electric has a reliable stream of  
20 external capital and will allow the company's capital  
21 spending needs to be met in a cost-effective and timely  
22 manner. Uninterrupted access to the financial markets will  
23 provide Tampa Electric with the capital it needs on  
24 reasonable terms so it can continue to improve and protect  
25 the long-term interests of its customers.

1 **Q.** What are credit ratings and why are they important?

2

3 **A.** The term "credit rating" refers to letter designations  
4 assigned by credit rating agencies that reflect their  
5 independent assessment of the credit quality of entities  
6 that issue publicly traded debt securities. Credit ratings  
7 are like the grades a student receives on his or her report  
8 card - an A is better than a B letter grade - likewise a  
9 AAA is better than a BBB level credit rating.

10

11 Credit ratings reflect the informed and independent views  
12 of firms that study borrowers and market conditions and  
13 impact the interest rates borrowers must pay when accessing  
14 borrowed funds from both banks and capital markets. In  
15 general, a higher credit rating means a lower credit spread  
16 and a lower credit rating means a higher credit spread.

17

18 The credit spread is the charge added to the underlying  
19 variable rate benchmark for overnight funds in the case of  
20 short-term bank borrowing and U.S. treasury bonds in the  
21 case of long-term debt offerings. Tampa Electric invests  
22 capital to serve customers and strong debt ratings will  
23 ensure that Tampa Electric will have adequate credit  
24 quality to raise the capital necessary to meet these  
25 requirements.

1   **Q.**   Why are strong ratings important considering the company's  
2           future capital needs?

3  
4   **A.**   A strong credit rating is important because it affects a  
5           company's cost of capital and access to the capital  
6           markets. Credit ratings indicate the relative riskiness of  
7           the company's debt securities. Therefore, credit ratings  
8           are reflected in the cost of borrowed funds. All other  
9           factors being equal (i.e., timing, markets, size, and terms  
10          of an offering), the higher the credit rating, the lower  
11          the cost of funds. Companies with lower credit ratings have  
12          greater difficulty raising funds in any market, but  
13          especially in times of economic uncertainty, credit  
14          crunches, or during periods when large volumes of  
15          government and higher-grade corporate debt are being sold.

16  
17          Given the capital-intensive nature of the utility industry,  
18          it is critical that utilities maintain strong credit  
19          ratings sufficiently above the investment grade threshold  
20          to retain uninterrupted access to capital. The impact of  
21          being investment grade versus non-investment grade is  
22          material. A company raising debt that has non-investment  
23          grade ("speculative grade") credit ratings will be subject  
24          to occasional lapses in availability of debt capital,  
25          onerous debt covenants and higher borrowing costs. In

1 addition, companies with non-investment grade ratings are  
2 generally unable to obtain unsecured commercial credit and  
3 may have to provide collateral, prepayment, or letters of  
4 credit for certain contractual agreements.

5  
6 Given the high capital needs, obligation to serve existing  
7 and new customers, and significant requirements for  
8 unsecured commercial credit that electric utilities have,  
9 non-investment grade ratings are unacceptable. Tampa  
10 Electric's current ratings should also be strong enough to  
11 buffer against the costs of tropical windstorm and  
12 hurricane events.

13  
14 **Q.** Can the financial credit market be foreclosed by unforeseen  
15 events extraneous to the utility industry?

16  
17 **A.** Yes. There have been times when financial credit markets  
18 have been closed or challenged due to unforeseen events.  
19 Market instability resulting from the sub-prime mortgage  
20 problems affected liquidity in the entire financial sector  
21 causing a financial recession, and there were periods of  
22 time in 2008 and 2009 when the debt markets were  
23 effectively closed to all but the highest rated borrowers.  
24 This is a good example of how access to the marketplace  
25 can be shut off for even creditworthy borrowers by

1 extraneous, unforeseen events, and it emphasizes why a  
2 strong credit rating is essential to ongoing, unimpeded  
3 access to the capital markets.  
4

5 **Q.** How are credit ratings determined?  
6

7 **A.** Generally, the process the rating agencies follow to  
8 determine ratings involves an assessment of both business  
9 risk and financial risk. Business risk is typically  
10 determined based on the combined assessment of industry  
11 risk, country risk, and competitive position. Financial  
12 risk is based on financial ratios covering cash  
13 flow/leverage analysis. These two factors are combined to  
14 arrive at an overall credit rating for a company. Business  
15 risk and financial risk are more fully discussed and  
16 described in the direct testimony of Mr. D'Ascendis.  
17

18 **Q.** How does regulation affect ratings?  
19

20 **A.** The primary business risk the rating agencies focus on for  
21 utilities is regulation, and each of the rating agencies  
22 have their own views of the regulatory climate in which a  
23 utility operates. The exact assessments of the rating  
24 agencies may differ but the principles they rely upon for  
25 their independent views of the regulatory regime are

1 similar. Essentially, the principles, or categories, that  
2 shape the views of the rating agencies as they relate to  
3 regulation are based upon the degree of transparency,  
4 predictability, and stability of the regulatory  
5 environment; timeliness of operating and capital cost  
6 recovery; regulatory independence; and financial  
7 stability.

8  
9 According to the rating agencies the maintenance of  
10 constructive regulatory practices that support the  
11 creditworthiness of the utilities is one of the most  
12 important issues rating agencies consider when  
13 deliberating ratings. Regulation in Florida has  
14 historically been supportive of maintaining the credit  
15 quality of the state's utilities, and that has benefited  
16 customers by allowing utilities to provide for their  
17 customers' needs consistently and at a reasonable cost.  
18 This has been one of the factors that has helped Florida  
19 utilities maintain pace with the growth in the state, which  
20 has been essential to economic development. A key test of  
21 regulatory quality is the ability of companies to earn a  
22 reasonable rate of return over time, including through  
23 varying economic cycles, and to maintain satisfactory  
24 financial ratios supported by good quality of earnings and  
25 stability of cash flows. Regulated utilities cannot

1 materially improve or even maintain their financial  
2 condition without regulatory support. Thus, the regulatory  
3 climate has a large impact on the company, its customers,  
4 and its investors.

5  
6 **Q.** What are recent concerns expressed by any of the rating  
7 agencies for the industry?

8  
9 **A.** Most recently, in February 2024, S&P Global's Outlook for  
10 the entire North American regulated utilities industry  
11 changed from stable to negative. S&P Global states credit  
12 quality for investor-owned utilities has weakened over the  
13 past four years with about 28 percent of the industry  
14 having a negative outlook. Their view is the industry faces  
15 rising physical risks and high cash flow deficits that may  
16 not be sufficiently funded in a credit-supportive manner.  
17 S&P Global is concerned with the strained financial cushion  
18 of the industry as it provides limited ability to absorb  
19 unexpected events such as changes to inflation, higher  
20 interest rates and other physical risks.

21  
22 **Q.** How is Tampa Electric's long-term debt currently rated?

23  
24 **A.** Tampa Electric's senior unsecured debt is currently rated  
25 A3 with a Negative Outlook by Moody's Investors Service



1 ("Moody's"), BBB+ with a Negative Outlook by S&P Global  
2 Ratings ("S&P") and A with a Negative Outlook by Fitch  
3 Ratings ("Fitch").  
4

5 **Q.** Why is it so important to maintain an "A-" level rating on  
6 balance from all three rating agencies?  
7

8 **A.** Maintaining Tampa Electric's current ratings is very  
9 important for two reasons.  
10

11 First, Tampa Electric is making capital investments to  
12 serve customers and strong debt ratings ensure Tampa  
13 Electric has adequate credit quality to raise the capital  
14 necessary to meet these requirements.  
15

16 Second, Tampa Electric's current ratings provide a  
17 reasonable degree of assurance that ratings will not slip  
18 below investment grade in the event of a hurricane or other  
19 significant weather event.  
20

21 Approximately 40 percent of the utility industry is  
22 presently rated A- or above. Tampa Electric's split ratings  
23 equate to this rating level on balance and would be viewed  
24 positively regardless of an investor's preference among  
25 the rating agencies. Directionally, the A- and BBB+ rating

1 categories represent approximately 60 percent of all  
2 utility industry ratings split relatively evenly between  
3 the two categories.

4  
5 Tampa Electric's access to capital markets and cost of  
6 financing, including the applicability of restrictive  
7 financial covenants, are influenced by the ratings of its  
8 securities.

9  
10 **Q.** Are credit ratings impacted by equity ratio and return on  
11 equity?

12  
13 **A.** Yes. Rating agencies pay keen attention to equity ratio  
14 and ROE when evaluating the company's financial integrity  
15 and assigning credit ratings.

16  
17 **Q.** What equity ratio and ROE does Tampa Electric propose in  
18 this proceeding?

19  
20 **A.** The company's proposed financial equity ratio is 54.0  
21 percent. Financial equity ratio refers to investor sources  
22 of capital, for which the company is proposing 46 percent  
23 debt and 54 percent common equity. This proposed 54.0  
24 percent equity ratio is consistent with the ratio approved  
25 by the Commission in Tampa Electric's last general base

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rate proceeding.

The company's proposed midpoint ROE is 11.5 percent with an earnings range of plus or minus 100 basis points. Our proposed midpoint ROE and range are fair and reasonable, and are supported in the prepared direct testimony of Mr. D'Ascendis.

**Q.** Is Tampa Electric's proposed equity ratio of 54.0 percent reasonable and prudent for use in this proceeding?

**A.** Tampa Electric's proposed equity ratio of 54.0 percent is reasonable and prudent as it has a direct impact on the level of cash flows and the percentage of debt giving rise to the financial leverage in the capital structure, which is a key determinant of financial integrity.

**Q.** Why should the Commission approve the company's proposed 54 percent equity ratio?

**A.** Utilities in North America, including Tampa Electric, are navigating increasing physical risks and capital investment plans to continue providing safe and reliable service to its customers. Coupled with the potential for volatility in the capital markets, this warrants a stronger

1 balance sheet to deal with an uncertain macro environment.  
2 A conservative financial profile, in the form of a  
3 reasonable equity ratio, is consistent with the need to  
4 accommodate these uncertainties and maintain the  
5 continuous access to capital under reasonable terms that  
6 is required to fund operations and necessary system  
7 investment, even during times of adverse capital market  
8 conditions. A downward change to the company's equity ratio  
9 would be considered credit-negative by rating agencies.

10  
11 **Q.** Please summarize the relationship of financial integrity  
12 and the company's proposed capital structure.

13  
14 **A.** Maintaining a strong, prudent, and responsible financial  
15 position, or financial integrity, will allow Tampa Electric  
16 to attract capital on reasonable terms and continue to  
17 provide a safe and reliable electric system for its  
18 customers. Financial integrity helps ensure uninterrupted  
19 access to capital markets to finance required  
20 infrastructure investments as well as to manage unforeseen  
21 events. Tampa Electric's rate increase request, which  
22 includes the continued appropriate levels of ROE and equity  
23 ratio, will maintain the company's financial integrity and  
24 place Tampa Electric in an appropriate financial position  
25 to fund capital costs for assets and continue providing

1 the high level of reliable service to its customers.

2  
3 **(3) CAPITAL STRUCTURE AND WEIGHTED AVERAGE COST OF CAPITAL**

4 **Q.** What are the company's proposals for the specific  
5 components of capital structure and weighted average cost  
6 of capital calculations being proposed by the company in  
7 this filing?

8  
9 **A.** The company's proposals for these components are presented  
10 below.

11  
12 LONG TERM DEBT

13 **Q.** What amount and cost rate should be approved for long-  
14 term debt for the projected 2025 test year capital  
15 structure?

16  
17 **A.** The Commission should approve Jurisdictional Adjusted  
18 amount of Long-Term Debt and the cost rate of \$3.536  
19 billion and 4.53 percent, respectively, as shown on MFR  
20 Schedule D-1a.

21  
22 SHORT TERM DEBT

23 **Q.** What amount and cost rate should be approved for short  
24 term debt for the projected 2025 test year capital  
25 structure?

1     **A.**    The Commission should approve Jurisdictional Adjusted  
2            amount of Short-Term Debt and the cost rate of \$376.6  
3            million and 3.90 percent, respectively, as shown on MFR  
4            Schedule D-1a.

5  
6     **Q.**    How are amounts for long term debt and short-term debt  
7            forecasted and why are they reasonable?

8  
9     **A.**    The amounts for long-term and short-term borrowings are  
10           forecasted in the budget process described in the  
11           testimony of Mr. Latta. In general, we forecast borrowing  
12           needs based on the combination of budgeted capital  
13           expenditures net of forecasted cash from operations and  
14           the company's adherence to the capital structure  
15           described in my testimony above (46 percent debt, 54  
16           percent equity), which is needed to maintain financial  
17           integrity. The amounts are reasonable because they are  
18           determined using prudent forecasting of capital  
19           expenditures and cash from operations, and the  
20           application of Tampa Electric's commitment to capital  
21           structure ratios that are needed to keep overall cost of  
22           capital low based on factors described in my testimony  
23           above.

24  
25     **Q.**    How are cost rates for long term debt and short-term debt

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forecasted and why are they reasonable?

**A.** The cost rates for long term and short-term debt are forecasted based on the combination of (a) the actual cost rates for long term debt instruments actually in place, together with the forecasted rate for any budgeted long term borrowing at the interest rate estimated for that point in time, and (b) the forecasted rate for budgeted short term borrowings at the interest rates estimated for each month in the budget period. The cost rates are reasonable estimates based on Tampa Electric's financial integrity, credit ratings and forecasts for future market rates.

**Q.** Why are forecasted market rates higher than market rates at the time of the last rate proceeding?

**A.** In 2021, the Federal Reserve rate was 0.08 percent at year end and increased to 5.33 percent by the end of 2023.

This increase was reflected in an average short-term debt interest rate for the company of 0.58 percent in 2021, which increased to 5.70 percent in 2023. The company's actual short-term cost rate in 2022 was 2.30 percent; our forecasted short-term cost rate for 2025 is 3.90 percent.

1 Our actual long-term cost rate in 2022 was 4.36 percent  
2 and our forecasted long-term cost rate for 2025 is 4.53  
3 percent. The 17-basis point increase in the long-term debt  
4 interest rate is less than the increase in the short-term  
5 debt interest rate because most of the company's 2022 long-  
6 term debt will still be outstanding in 2025.  
7

8 **Q.** Are the cost rates in the 2025 test year at the elevated  
9 levels that were present in 2023, and if not, why is that  
10 reasonable?  
11

12 **A.** The forecasted 2025 short term debt cost rate of 3.90  
13 percent is lower than the 5.70 percent in 2023. It is  
14 reasonable to use a lower interest rate forecast because  
15 the rise in interest rates has begun to subside, and Tampa  
16 Electric predicts that short term rates will be lower in  
17 2025. The forecasted 2025 long term debt cost rate is  
18 reasonable because it reflects (a) imbedded existing cost  
19 rates, (b) cost rates for the long-term debt assumed by  
20 Tampa Electric previously assigned to PGS, and (c) the 4.90  
21 percent cost rate on the actual long-term debt issuance  
22 made in January 2024 for \$500 million.  
23

24 CUSTOMER DEPOSITS

25 **Q.** What amount and cost rate should be approved for customer



1 deposits for the projected 2025 test year capital  
2 structure?

3

4 **A.** The Commission should approve Jurisdictional Adjusted  
5 amount of Customer Deposits and the cost rate of \$99.2  
6 million and 2.41 percent, respectively, as shown on MFR  
7 Schedule D-1a.

8

9 **Q.** How is the amount and cost rate for customer deposits  
10 forecasted and why are they reasonable?

11

12 **A.** The budgeted balances for customer deposits are  
13 calculated by using an assumed average percent for  
14 expected new deposits and released deposits associated  
15 with forecasted customers and accounts receivable. This  
16 is reasonable as it reflects a consistent application of  
17 long-standing budget process steps. The cost rate for  
18 customer deposits reflect rates approved by the  
19 Commission and is reasonable to forecast based on the  
20 infrequent number of changes made to these rates by the  
21 Commission over time.

22

23 EQUITY RATIO

24 **Q.** What equity ratio should be approved for the projected  
25 2025 test year capital structure?

1     **A.**    The Commission should approve the equity ratio of 46.88  
2            percent shown on MFR Schedule D-1a. This Jurisdictional  
3            Adjusted ratio reflects the financial equity ratio of 54.0  
4            percent that I previously discussed.

5

6     RETURN ON EQUITY

7     **Q.**    What return on equity should be approved for the projected  
8            2025 test year capital structure?

9

10    **A.**    As discussed in the testimony of Mr. D'Ascendis, the  
11            Commission should approve the return on equity of 11.50  
12            percent shown on MFR Schedule D-1a.

13

14    EQUITY ADJUSTMENTS

15    **Q.**    Has the company made the proper adjustments to remove all  
16            non-utility investments from the projected test year  
17            common equity balance?

18

19    **A.**    Yes. These adjustments are shown on MFR Schedule D-1b.

20

21    DEFERRED INCOME TAXES

22    **Q.**    What amount should be approved for accumulated deferred  
23            income taxes (ADIT), shown as "Deferred Income Taxes" on  
24            MFR Schedule D-1a, for the projected 2025 test year  
25            capital structure?

1 **A.** The Commission should approve Jurisdictional Adjusted  
2 amount of Deferred Income Taxes of \$980.9 million as shown  
3 on MFR Schedule D-1a. Ms. Strickland explains in her  
4 testimony the method used to forecast this amount and why  
5 this amount is reasonable. ADIT is considered a zero-cost  
6 source of capital in our capital structure.  
7

8 TAX CREDITS - WEIGHTED COST

9 **Q.** What amount and cost rate should be approved for  
10 unamortized investment tax credits, shown as "Tax Credits  
11 - Weighted Cost" on MFR Schedule D-1a, for the projected  
12 2025 test year capital structure?  
13

14 **A.** The Commission should approve Jurisdictional Adjusted  
15 amount of Tax Credits - Weighted Cost and the cost rate  
16 of \$211.7 million and 8.26 percent, respectively, as shown  
17 on MFR Schedule D-1a. Ms. Strickland explains in her  
18 testimony the method used to forecast this amount and why  
19 this amount is reasonable. The cost rate is reasonable  
20 since it reflects the weighted cost of investor sources  
21 of capital, which has been the Commission-approved method  
22 for calculating the cost rate for deferred taxes subject  
23 to normalization.  
24  
25

1 CAPITAL STRUCTURE AND WEIGHTED AVERAGE COST OF CAPITAL

2 **Q.** What amount and Weighted Average Cost of Capital (WACC)  
3 for projected total capital structure should be approved  
4 for the projected 2025 test year?

5  
6 **A.** The Commission should approve the Jurisdictional Adjusted  
7 amount of capital structure and the WACC of \$9.798 billion  
8 and 7.37 percent, respectively, as shown on MFR Schedule  
9 D-1a.

10  
11 **(4) FUTURE FINANCIAL PROJECTIONS AND REGULATORY OPTIONS**

12 **Q.** How do you expect the company's financial profile to change  
13 after 2025?

14  
15 **A.** The company will continue to invest in assets that enhance  
16 the reliability, resilience and efficiency of our  
17 operations and serve our customers. Tampa Electric expects  
18 to spend approximately \$1.6 billion each year in 2026 and  
19 2027. In the direct testimony of Mr. Latta, he provides  
20 details on important capital projects for solar generation,  
21 other generation enhancements, storage capacity and grid  
22 infrastructure. For these projects, Mr. Latta presents the  
23 company's request for SYA in 2026 in the amount of \$100.1  
24 million and in 2027 of \$71.8 million.

25

1 As noted in the testimony of other witnesses, these  
2 projects will (a) improve the efficiency, sufficiency, and  
3 adequacy of the company's facilities and services, (2) make  
4 efficient use of alternative energy resources, (3) increase  
5 the value of the company's services to its customers, (4)  
6 promote the public interest by developing renewable  
7 resources in Florida, (5) improve the reliability and  
8 resilience of the company's operations, (6) enhance our  
9 ability to respond to severe weather, (7) create greater  
10 opportunities for fuel cost savings, and (8) improve the  
11 overall quality of our electric service.

12  
13 **Q.** How will the 2026 and 2027 SYA impact the company's  
14 financial profile and integrity after 2025?

15  
16 **A.** Absent the additional rate relief in 2026 and 2027 from  
17 the SYA, the plant additions referred to above will put  
18 pressure on our ability to earn within the range of ROE  
19 the company is proposing in this proceeding. Without the  
20 2026 and 2027 SYA, Tampa Electric expects to earn below  
21 the bottom of our proposed range of equity returns in 2026  
22 and 2027.

23  
24 **Q.** How do customers benefit from the use of these SYA?  
25

1     **A.**    The SYA will help extend the life of the base rates approved  
2            in this proceeding and will mitigate the need for  
3            successive rate increase requests in 2026 and 2027.

4  
5     **Q.**    Does the company propose to recover general expense  
6            increases and routine capital additions through its  
7            proposed 2026 and 2027 SYA?

8  
9     **A.**    No. The specific costs to be recovered through the proposed  
10           SYA are detailed by Mr. Latta in his testimony.

11  
12    **Q.**    Are there other tools that can help extend the file for  
13            the new 2025 base rates approved in this proceeding?

14  
15    **A.**    Yes. Tampa Electric also requests approval of a corporate  
16            income tax change provision, a storm cost recovery  
17            provision and an asset optimization mechanism.

18  
19    **Q.**    What is the company's proposal to address potential  
20            corporate income tax change?

21  
22    **A.**    The company's proposal for addressing corporate income tax  
23            change is the method presented in Section 11 in the 2021  
24            Agreement, Document No. 2 of my exhibit. This tax reform  
25            provision, and others like it in previous agreements, have

1 served the company and its customers well by providing an  
2 efficient regulatory mechanism for addressing corporate  
3 income tax changes that occur after a rate proceeding is  
4 over.

5  
6 **Q.** What is the company's proposal to address storm cost  
7 recovery?

8  
9 **A.** The company's proposal for addressing storm cost recovery  
10 is the method presented in Section 8 in the 2021 Agreement,  
11 Document No. 2 of my exhibit. This Storm Cost Recovery  
12 provision, and others like it in previous agreements, have  
13 served the company and its customers well by providing an  
14 efficient regulatory mechanism for review and recovery of  
15 prudent storm damage restoration and recovery costs.

16  
17 **Q.** What is the company's proposal for an asset optimization  
18 mechanism?

19  
20 **A.** The company's proposal for an asset optimization mechanism  
21 is presented and discussed in the direct testimony of Tampa  
22 Electric witness John Heisey and should be approved for  
23 the reasons in his testimony.

1     **(5) SUMMARY**

2     **Q.** Please summarize your direct testimony.

3     **A.** My direct testimony describes how the company's financial  
4     profile has changed since our last rate case, including  
5     the growth in plant in service and the corresponding growth  
6     in operating expenses. I also propose SYA for 2026 and 2027  
7     as well as tax reform and storm cost methodologies that,  
8     if approved in this case, would substantially reduce our  
9     need to seek an additional general base rate increase  
10    before 2028.

11  
12    Since our last rate case, Tampa Electric has continued to  
13    transform the company into a safer and more reliable  
14    electric utility. We are customer-focused, and our  
15    generating fleet is more resilient and more efficient than  
16    ever. These changes have also transformed the company's  
17    financial profile. It is important to maintain the  
18    financial integrity of the company to enable us to meet  
19    the growing and changing energy needs in our service  
20    territory.

21  
22    **Q.** Does this conclude your direct testimony?

23  
24    **A.** Yes, it does.  
25



TAMPA ELECTRIC COMPANY  
DOCKET NO. 20240026-EI  
WITNESS: CHRONISTER

EXHIBIT

OF

JEFF CHRONISTER

**Table of Contents**

<b>DOCUMENT NO.</b>	<b>TITLE</b>	<b>PAGE</b>
1	List of Minimum Filing Requirement Schedules Sponsored or Co-Sponsored by Jeff Chronister	50
2	Final Oder No. PSC-2021-0423-S-EI Approving 2021 Stipulation Settlement Agreement (without Attachment C - Tariffs)	55

LIST OF MINIMUM FILING REQUIREMENT SCHEDULES  
SPONSORED OR CO-SPONSORED BY JEFF CHRONISTER

MFR Schedule	Title
A-01	Full Revenue Requirements Increase Requested
A-02	Full Revenue Requirements Bill Comparison - Typical Monthly Bills
A-03	Summary Tariffs
A-04	Interim Revenue Requirements Increase Requested
A-05	Interim Revenue Requirements Bill Comparison - Typical Monthly Bills
B-01	Adjusted Rate Base
B-02	Rate Base Adjustments
B-03	13-Month Average Balance Sheet - System Basis
B-04	Two Year Historical Balance Sheet
B-05	Detail Of Changes In Rate Base
B-06	Jurisdictional Separation Factors-Rate Base
B-07	Plant Balances By Account And Sub-Account
B-08	Monthly Plant Balances Test Year-13 Months
B-09	Depreciation Reserve Balances By Account And Sub-Account

B-10	Monthly Reserve Balances Test Year-13 Months
B-11	Capital Additions And Retirements
B-12	Production Plant Additions
B-13	Construction Work In Progress
B-14	Earnings Test
B-15	Property Held For Future Use - 13 Month Average
B-17	Working Capital - 13 Month Average
B-18	Fuel Inventory By Plant
B-19	Miscellaneous Deferred Debits
B-20	Other Deferred Credits
B-21	Accumulated Provision Accounts - 228.1 228.2 And 228.4
B-24	Leasing Arrangements
B-25	Accounting Policy Changes Affecting Rate Base
C-01	Adjusted Jurisdictional Net Operating Income
C-02	Net Operating Income Adjustments
C-03	Jurisdictional Net Operating Income Adjustments
C-04	Jurisdictional Separation Factors - Net Operating Income
C-05	Operating Revenues Detail

C-06	Budgeted Versus Actual Operating Revenues And Expenses
C-08	Detail Of Changes In Expenses
C-09	Five Year Analysis - Change In Cost
C-10	Detail Of Rate Case Expenses For Outside Consultants
C-11	Uncollectible Accounts
C-12	Administrative Expenses
C-13	Miscellaneous General Expenses
C-14	Advertising Expenses
C-15	Industry Association Dues
C-16	Outside Professional Services
C-17	Pension Cost
C-18	Lobbying Expenses Other Political Expenses & Civic/Charitable Contributions
C-19	Amortization/Recovery Schedule-12 Months
C-20	Taxes Other Than Income Taxes
C-21	Revenue Taxes
C-23	Interest In Tax Expense Calculation
C-29	Gains And Losses On Disposition Of Plant And Property
C-30	Transactions With Affiliated Companies

C-31	Affiliated Company Relationships
C-32	Non-Utility Operations Utilizing Utility Assets
C-33	Performance Indices
C-34	Statistical Information
C-35	Payroll And Fringe Benefit Increases Compared To CPI
C-36	Non-Fuel Operation And Maintenance Expense Compared To CPI
C-37	O&M Benchmark Comparison By Function
C-38	O&M Adjustments By Function
C-39	Benchmark Year Recoverable O&M Expenses By Function
C-40	O&M Compound Multiplier Calculation
C-41	O&M Benchmark Variance By Function
C-43	Security Costs
C-44	Revenue Expansion Factor
D-01a	Cost Of Capital - 13 Month Average
D-01b	Cost Of Capital - Adjustments
D-02	Cost of Capital - 5 Year History
D-03	Short-Term Debt

D-04a	Long-Term Debt Outstanding
D-04b	Reacquired Bonds
D-05	Preferred Stock Outstanding
D-06	Customer Deposits
D-07	Common Stock Data
D-08	Financial Plans-Stock and Bond Issues
D-09	Financial Indicators-Summary
E-12	Adjustment To Test Year Revenue
F-01	Annual Reports To Shareholders
F-02	SEC Reports
F-03	Business Contracts With Officers Or Directors
F-05	Forecasting Models
F-08	Assumptions
F-09	Public Notice

FILED 11/10/2021  
DOCUMENT NO. 12617-2021  
FPSC - COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for rate increase by Tampa Electric Company.

DOCKET NO. 20210034-EI

In re: Petition for approval of 2020 depreciation and dismantlement study and capital recovery schedules, by Tampa Electric Company.

DOCKET NO. 20200264-EI  
ORDER NO. PSC-2021-0423-S-EI  
ISSUED: November 10, 2021

The following Commissioners participated in the disposition of this matter:

GARY F. CLARK, Chairman  
ART GRAHAM  
ANDREW GILES FAY  
MIKE LA ROSA  
GABRIELLA PASSIDOMO

FINAL ORDER APPROVING STIPULATION AND SETTLEMENT  
AGREEMENT BETWEEN TAMPA ELECTRIC COMPANY AND  
ALL INTERVENORS

APPEARANCES:

JAMES D. BEASLEY, J. JEFFRY WAHLEN, and MALCOLM N. MEANS,  
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RICHARD GENTRY, CHARLES REHWINKEL, MARY A. WESSLING, and  
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On behalf of Office of Public Counsel.

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On behalf of Federal Executive Agencies.

JON C. MOYLE, JR., and, KAREN PUTNAL, ESQUIRES, 118 North Gadsden  
Street, Tallahassee, Florida 32312  
On behalf of Florida Industrial Power Users Group.



ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 2

ROBERT SCHEFFEL WRIGHT, and JOHN T. LAVIA, III, ESQUIRES, 1300  
Thomaswood Drive, Tallahassee, FL 32308  
On behalf of Florida Retail Federation.

STEPHANIE U. EATON, ESQUIRE, 110 Oakwood Drive, Suite 500, Winston-  
Salem, NC, 27103, On behalf of Walmart Inc.

MARK F. SUNDBACK, WILLIAM M. RAPPOLT, and ANDREW P. MINA,  
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6801  
On behalf of the West Central Florida Hospital Utility Alliance.

CHARLES MURPHY, and WALTER TRIERWEILER, ESQUIRES, Florida  
Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida  
32399-0850  
On behalf of the Florida Public Service Commission.

MARY ANNE HELTON, ESQUIRE, Deputy General Counsel, Florida Public  
Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-  
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Advisor to the Florida Public Service Commission.

KEITH C. HETRICK, ESQUIRE, General Counsel, Florida Public Service  
Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850  
Florida Public Service Commission General Counsel.

BY THE COMMISSION:

#### BACKGROUND

On April 9, 2021, Tampa Electric Company (Tampa Electric or Company) filed a Petition for a Rate Increase. By Order No. PSC-2020-0147-PCO-EI, issued on April 22, 2021, the Florida Public Service Commission (Commission) consolidated Docket No. 20210034-EI, *Petition for rate increase by Tampa Electric Company*, with Docket No. 20200264-EI, *Petition for approval of 2020 depreciation and dismantlement study and capital recovery schedules, by Tampa Electric Company*. On August 6, 2021, the Company filed a Motion to Suspend Procedural Schedule and Approve 2021 Stipulation and Settlement Agreement (2021 Settlement Agreement) that had been signed by all parties to the consolidated dockets.<sup>1</sup> By Order No. PSC-2021-0301-PCO-EI, issued on August 10, 2021, the procedural schedule in the consolidated dockets was suspended and an evidentiary hearing on the 2021 Settlement Agreement was

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<sup>1</sup> Tampa Electric, Office of Public Counsel, Florida Industrial Power Users Group, Federal Executive Agencies, Walmart Inc., Florida Retail Federation, and West Central Florida Hospital Utility Alliance.

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 3

scheduled. On October 13, 2021, Tampa Electric filed a Corrected 2021 Settlement Agreement.<sup>2</sup> On October 14, 2021, the Company filed a letter by which it clarified periodic revenue true ups related to the Clean Energy Transition Mechanism (CETM) under the Corrected 2021 Settlement Agreement (Company's Letter).<sup>3</sup> The Company has filed tariff sheets that implement the Corrected 2021 Settlement Agreement.<sup>4</sup> A hearing was held on October 21, 2021, and a bench decision was made. We have jurisdiction in this matter pursuant to Section 366.06, Florida Statutes.

#### SETTLEMENT AGREEMENT

All parties agree that the Corrected 2021 Settlement Agreement is in the public interest, results in rates that are fair, just, and reasonable, and resolves the issues in the consolidated dockets. Among its other features, the Corrected 2021 Settlement Agreement provides for an overall reduction in the Company's *proposed* revenue requirement with new base rates and charges that will be effective the first billing cycle of January 2022; thereafter, there will be a general rate freeze until December 31, 2024, except as otherwise specified. The mid-point return on equity is 9.95 percent with an authorized range of 9 percent to 11 percent. The CETM is established to provide for a 15 year levelized cost recovery of (1) the remaining net book value of retiring Big Bend Units One, Two, and Three assets, and retiring Automatic Meter Reading assets, and (2) the projected dismantlement deficiency for the Big Bend Units One, Two, and Three assets. The CETM, with its levelized cost recovery feature, benefits customers in the early years by providing for a lower CETM rate than under traditional declining net book value ratemaking. There are also provisions to facilitate increased solar generation and thereby promote both cleaner energy and customer bill stability.

In addition, the Corrected 2021 Settlement Agreement includes a transition to a fully-applied Minimum Distribution System cost-of-service methodology. Solar production plant costs will be allocated consistent with non-solar production plant costs. The Company will transition to a full 4 Coincident Peak (three summer and one winter month) methodology for all production and transmission costs. There is an increase in credits for standby generator conservation and interruptible conservation programs. The Corrected 2021 Settlement Agreement also simplifies customer procurement of lighting facilities and services from the Company.

#### DECISION

The standard for approval of a settlement agreement is whether it is in the public interest. A determination of public interest requires a case-specific analysis based on consideration of the proposed settlement taken as a whole. Upon review of the substantial record in the consolidated dockets, we find that the Corrected 2021 Settlement Agreement, as clarified by the Company's

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<sup>2</sup> Attached hereto as Attachment A, and incorporated by reference. By this filing, the Company corrected minor scrivener's errors and resubmitted the original 2021 Settlement Agreement with the corrections.

<sup>3</sup> Attached hereto as Attachment B, and incorporated by reference.

<sup>4</sup> Although filed on August 20, 2021, the Tariff Sheets reflect a filing date of August 6, 2021, the date of the 2021 Settlement Agreement (Document No. 09568-2021). Attached hereto as Attachment C, and incorporated by reference.

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 4

Letter, (1) is in the public interest, (2) results in rates that are fair, just, and reasonable, and (3) resolves all of the issues in Dockets Nos. 20200264-EI and 20210034-EI. Moreover, we find that approving the Corrected 2021 Settlement Agreement, as clarified by the Company's Letter, also promotes regulatory economy and administrative efficiency, and avoids the time and expense associated with litigating the settled issues in the above-referenced dockets. Therefore, we approve the Corrected 2021 Settlement Agreement (as clarified) and the tariff sheets that were filed by Tampa Electric in the consolidated dockets on August 20, 2021. The effective date of the Corrected 2021 Settlement Agreement is the date of our vote, October 21, 2021.<sup>5</sup>

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that Tampa Electric Company's Motion to Approve the Corrected 2021 Settlement Agreement, as clarified by Tampa Electric Company's Letter, is hereby approved effective October 21, 2021. It is further

ORDERED that the tariff sheets implementing the Corrected 2021 Settlement Agreement are hereby approved and are effective January 1, 2022. It is further

ORDERED that Tampa Electric Company's Corrected 2021 Settlement Agreement, October 14, 2021 Letter Clarifying CETM Revenue True-ups, and tariffs implementing the Corrected 2020 Settlement Agreement, attached hereto respectively as Attachments A, B, and C, are incorporated herein by reference. It is further

ORDERED that Dockets Nos. 20210034-EI and 20200264-EI are hereby closed.

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<sup>5</sup> See Paragraph 1 of the Corrected 2021 Settlement Agreement.

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 5

By ORDER of the Florida Public Service Commission this 10th day of November, 2021.

  
ADAM J. TEITZMAN  
Commission Clerk  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, Florida 32399  
(850) 413-6770  
www.floridapsc.com

Copies furnished: A copy of this document is provided to the parties of record at the time of issuance and, if applicable, interested persons.

CWM

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Office of Commission Clerk, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/or wastewater utility by filing a notice of appeal with the Office of Commission Clerk, and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days after the issuance of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.

TAMPA ELECTRIC COMPANY  
DOCKET NO. 20240026-EI  
EXHIBIT NO. JC-1  
WITNESS: CHRONISTER  
DOCUMENT NO. 2  
PAGE 6 OF 139  
FILED: 04/02/2024

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 6

ATTACHMENT A

## **ATTACHMENT A**

Docket Nos. 20210034-EI, 20200264-EI – In re: Petition for rate  
increase by Tampa Electric Company.

**CORRECTED 2021 SETTLEMENT AGREEMENT**

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 7

ATTACHMENT A

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for Rate Increase by Tampa Electric Company _____ )	)	DOCKET NO.: 20210034-EI
In re: Petition of Tampa Electric Company for Approval of 2020 Depreciation and Dismantlement Study and Capital Recovery Schedules _____ )	)	DOCKET NO. 20200264-EI
	)	Dated: August 6, 2021

**2021 STIPULATION AND SETTLEMENT AGREEMENT**

THIS AGREEMENT is dated this 6th day of August, 2021, and is by and between Tampa Electric Company (“Tampa Electric” or the “company”), the Office of Public Counsel (“OPC” or “Citizens”), the Florida Industrial Power Users Group (“FIPUG”), the Florida Retail Federation (“FRF”), the Federal Executive Agencies (“FEA”), Walmart Inc. (“Walmart”), and the West Central Florida Hospital Utility Alliance (“HUA”). Collectively, Tampa Electric, OPC, FIPUG, FRF, FEA, Walmart, and HUA shall be referred to herein as the “Parties” and the term “Party” shall be the singular form of the term “Parties.” OPC, FIPUG, FRF, FEA, Walmart, and HUA will be referred to herein as the “Consumer Parties.” This agreement, including Exhibits appended hereto, shall be referred to as the “2021 Agreement.”

**Background**

Tampa Electric filed its last depreciation and dismantlement study in 2011. The Commission approved depreciation rates for the company on April 3, 2012 by Order No. 2012-0175-PAA-EI in Docket No. 20110131-EI. That order became final on April 30, 2012 by Order No. 2012-0226-CO-EI. The company used the rates approved in Docket No. 20110131-EI when it filed its most recent general base rate case in 2013, i.e., Petition of Tampa Electric Company for an Increase in Base Rates and Service Charges, Docket No. 20130040-EI (“2013 Rate Case”).

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 8

ATTACHMENT A

On September 8, 2013, Tampa Electric and some of the Consumer Parties filed a Stipulation and Settlement Agreement (“2013 Stipulation”) that resolved all the issues in the 2013 Rate Case. Among other things, Tampa Electric agreed that the general base rates established in the 2013 Stipulation would remain in effect through December 31, 2017, and thereafter, until the company’s next general base rate case. The 2013 Stipulation also specified that Tampa Electric would forego seeking future general base rate increases with an effective date prior to January 1, 2018, except in limited, defined circumstances. The Florida Public Service Commission (“FPSC” or “Commission”) approved the 2013 Stipulation and memorialized its decision in Order No. PSC-2013-0443-FOF-EI, issued September 30, 2013.

Tampa Electric and the parties to the 2013 Stipulation amended and extended that stipulation by entering into the 2017 Amended and Restated Stipulation and Settlement Agreement (“2017 Agreement”), which was approved by the FPSC in November 2017.<sup>1</sup> The general base rate freeze provisions in the 2017 Agreement will expire on January 1, 2022.

In September 2020, the Parties began extensive discussions related to the anticipated 2021 Tampa Electric general rate case and the depreciation study filing. Experts of the Parties exchanged information and conducted extensive informal discovery. Late in 2020, the Parties agreed to pause the discussions to allow Tampa Electric to file depreciation studies and its rate case petition with supporting information. Ultimately, these three months of intensive and thorough discussions proved to be productive and helpful when the Parties resumed discussions in 2021.

Consistent with Paragraph 8 of the 2017 Agreement, Tampa Electric filed a depreciation and dismantlement study for approval with the Commission on December 30, 2020, which petition

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<sup>1</sup> The Commission approved the 2017 Agreement by Order No. PSC-2017-0456-S-EI, issued on November 27, 2017 in Docket Nos. 20170210-EI and 20160160-EI.

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 9

ATTACHMENT A

was assigned to Docket No. 20200264-EI. In its depreciation petition, the company indicated that it would propose to recover the portion of the capital recovery schedules associated with Big Bend Units One, Two, and Three assets being recovered through the Environmental Cost Recovery Clause ("ECRC") when it makes its projection filing for ECRC in 2021. It also indicated that it would request cost recovery for the portions of the capital recovery schedules associated with Big Bend Units One, Two, and Three and AMR assets to be retired being recovered through base rates when it files its next request for a general base rate increase. The total company amounts as of December 31, 2021 for these items are \$517.7 million of net book value and approximately \$111 million of projected dismantlement reserve deficiency of Big Bend assets to be retired.

On April 9, 2021, the company filed a petition for a general base rate increase, which was assigned to Docket No. 20210034-EI. Its general base rate case petition ("Rate Case") was accompanied by the prepared direct testimony of 21 witnesses and 12 volumes of minimum filing requirement ("MFR") schedules ("Initial Rate Case Filing").

Docket Nos. 20200264-EI (depreciation and dismantlement costs) and 20210034-EI (Rate Case) were consolidated by Order No. PSC-2021-0147-PCO-EI, issued on April 22, 2021, which designated the Rate Case docket as the docket for filing all future pleadings, motions, notices, and other documents.

In its Rate Case petition, Tampa Electric requested a \$294,995,000 permanent annual increase in general base revenues and a reduction in its miscellaneous service charge revenues by \$6,635,000 annually, effective with the first billing cycle in January 2022. In addition, it argued that to mitigate the need for additional general base rate relief in 2023 and 2024, it should be authorized to implement two generation base rate adjustments ("GBRAs") of approximately \$102,236,000 and \$25,639,000 effective with the first billing cycles for January 2023 and 2024,



ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 10

ATTACHMENT A

respectively. The company's petition requested that the Commission approve a return on equity of 10.75%, an equity ratio of 54.6% and certain cost-of-service and rate design changes.

During these two dockets, Tampa Electric has responded to hundreds of interrogatories and produced over 35,000 pages of documents to assist the FPSC Staff and Consumer Parties in their evaluation of the company's proposals. The FPSC Staff conducted an audit of the company's Rate Case filing and experts of the Parties exchanged information and conducted extensive informal discovery. The company and its subject matter experts have also engaged in detailed and candid informal discussions with the lawyers, staff, and experts representing the Consumer Parties. As a result of these formal and informal discovery activities, the Consumer Parties and Tampa Electric are well informed about the issues presented by the company's depreciation and dismantlement study and Rate Case proposals, and the risks and costs associated with further litigation.

Accordingly, the Parties have undertaken to resolve by agreement and settle the issues presented by the company's depreciation and dismantlement study and Rate Case proposals so as to maintain predictability with respect to Tampa Electric's base rates and charges and to avoid the inherent risks, uncertainties, dedication of resources and costs of further litigation. The Parties have entered into this 2021 Agreement in compromise of positions in accord with their rights and interests under Chapters 120, 350, and 366, Florida Statutes, as applicable, and believe that this 2021 Agreement is in the public interest. As part of a negotiated exchange of consideration among the Parties to this 2021 Agreement, each Party has agreed to concessions to the others with the expectation, intent, and understanding such that all provisions of the 2021 Agreement, upon approval by the Commission, will be enforced by the Commission as to all matters addressed herein with respect to all Parties.

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 11

ATTACHMENT A

NOW, THEREFORE, in consideration of the foregoing, and the mutual covenants contained herein, which the Parties agree and acknowledge constitutes good and valuable consideration, the Parties hereby stipulate and agree as follows:

**Provisions**

1. Term.

This 2021 Agreement will become effective upon the date of the Commission's vote approving it ("Effective Date") and, except as specified otherwise herein, shall continue through and including December 31, 2024, such that, except as specified in this 2021 Agreement, no base rates, charges, or credits (including the CCV and Stand-by Generation credits that are specifically the subject of this 2021 Agreement) or rate design methodologies will be changed with an effective date before January 1, 2025. The period from the Effective Date through December 31, 2024 (subject to subparagraph 10(c)) shall be referred to herein as the "Term." The Parties retain all rights unless such rights are expressly waived, expressly limited, or expressly eliminated by the terms of this 2021 Agreement. Upon expiration of the Term or termination of the 2021 Agreement pursuant to Paragraph 10, the provisions of this 2021 Agreement shall terminate or remain in effect as specified herein.

2. Return on Equity and Equity Ratio.

(a) Subject to the Trigger provisions in subparagraph 2(b) and beginning January 1, 2022, Tampa Electric's authorized return on common equity ("ROE") shall be within a range of 9.00% to 11.00% ("ROE range"), with a mid-point of 9.95% ("mid-point"), except under the conditions specifically provided in this 2021 Agreement in Paragraphs 2(b) and 10. Tampa Electric's authorized ROE range and mid-point (as adjusted by the Trigger if applicable) using a 54 percent equity ratio (investor sources with any difference to actual equity ratio spread ratably

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 12

ATTACHMENT A

over long-term debt and short-term debt) shall be used for all regulatory purposes from January 1, 2022 to the end of the Term (and thereafter until the company's general base rates and charges are revised by a future unanimous signed agreement of the Parties approved by a Final Order of the Commission or a Final Order of the Commission issued as the result of the next subsequent general base rate proceeding), including, but not limited to, cost recovery clauses, recovery mechanism(s), earnings surveillance reporting, authorizing a potential exit from this 2021 Agreement pursuant to Paragraph 10, calculating the company's Allowance for Funds Used During Construction ("AFUDC"), and calculating interim rates as allowed herein.

(b) *ROE Trigger Mechanism.* The purpose of the provisions in this subparagraph 2(b) is to provide Tampa Electric with rate relief if the interest rate on U.S. Treasury bonds, as identified in subparagraph 2(b)(i), rise above the level specified herein; these provisions are generically referred to as the "Trigger" mechanism or the "Trigger provisions," or simply as the "Trigger."

(i) If at any time during the Term, but no more than once during the Term, the average 30-year United States Treasury Bond yield rate for any period of six (6) consecutive months is at least 50 basis points greater than the yield rate on the date the Commission votes to approve this 2021 Agreement ("Trigger"), Tampa Electric's authorized ROE shall, after an elective filing by Tampa Electric ("Petition"), be increased by 25 basis points to be within a range of 9.25 percent to 11.25 percent with a mid-point of 10.20 percent ("Revised Authorized ROE") from the Trigger Effective Date defined below in subparagraph 2(b)(vi) for and through the remainder of the Term, and for any period in which the company's base rates established in this 2021 Agreement continue in effect after December 31, 2024, until the Commission issues a final order in the next subsequent proceeding changing the company's base rates and its authorized ROE. No later than five business days after the Commission votes to approve this 2021 Agreement, Tampa Electric shall notify the

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 13

ATTACHMENT A

Parties of the 30-year United States Treasury Bond yield rate that was in effect upon the date the Commission votes to approve this 2021 Agreement by filing in this docket proof of the rate with the Commission Clerk and serving the Parties.

(ii) If the Trigger occurs during the Term, the company's base rates will be increased by the amount that, if collected for 12 consecutive months would total \$10 million, prorated for the remaining billing cycles in the calendar year that it is implemented if the rate change occurs after the first billing cycle of the calendar year, using an equal percentage increase to the basic service, demand, and energy base rates reflected in the company's base rate schedules existing at the time of the increase, except that the service charges and CCV and Stand-by Generation credits shall not be adjusted. If the Trigger occurs, the revenue requirement increase will be \$10 million on the basis of 12 consecutive subsequent months whether the Trigger occurs in 2022, 2023, or 2024.

(iii) This \$10 million annual base rate increase amount shall be reduced to the extent that the revenue increase would cause the company's adjusted earnings, as reflected on its *pro forma* weather adjusted latest, routinely filed earnings surveillance report ("ESR") for the latest month as of the Trigger Effective Date, to exceed the midpoint of the new range as specified above. The use of the *pro forma*, weather adjusted ESR for the highly specific circumstances of the Trigger shall not be precedent for use of the *pro forma* weather adjustment information for any other purpose.

(iv) The Commission shall approve the company's verified request for an equal percentage rate increase to recover the designated revenue requirement pursuant to this Paragraph within sixty (60) days following the filing of the Petition, and such rate increase will be effective with the first billing cycle following Commission approval. The equal percentage increase shall

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 14

ATTACHMENT A

be calculated using the billing determinants included in the company's most recent projection Energy Conservation Cost Recovery Clause ("ECCR") filing unless otherwise agreed to by the Parties, with the understanding that the Consumer Parties do not waive the right to challenge the accuracy and validity of the billing determinants.

(v) The Trigger shall be calculated by summing the reported 30-year U.S. Treasury bond rates for each business day over any continuous six-month period, e.g., January 1, 2022 through July 1, 2022, or March 17, 2022 through September 17, 2022, for which rates are reported, and dividing the resulting sum by the number of such business days in such period.

(vi) The effective date of the Revised Authorized ROE ("Trigger Effective Date") shall be the first day of the month following the day in which the Trigger is reached. If the Trigger is reached and the Revised Authorized ROE becomes effective, except as otherwise specifically provided in this Agreement, Tampa Electric's Revised Authorized ROE range and mid-point shall prospectively be used for the remainder of the Term (and thereafter until the company's general base rates and charges are revised by the next subsequent unanimous signed agreement of the Parties approved by a Final Order of the Commission or a Final Order of the Commission issued as the result of the next subsequent base rate proceeding) for cost recovery clauses, earnings surveillance reporting, Paragraph 10 of this 2021 Agreement regarding an ROE adjustment, and AFUDC.

(vii) By seeking and receiving a rate increase under this Paragraph, Tampa Electric will be affirming that it remains under this 2021 Agreement for the remainder of the Term, unless and until it subsequently invokes the provisions under Paragraph 10 to exit the 2021 Agreement. Tampa Electric cannot double count the impact of the Trigger and the ability to achieve a higher mid-point by virtue of Paragraph 10. For example, if application of the Trigger were to result in

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 15

ATTACHMENT A

Tampa Electric earning below the new ROE floor, Tampa Electric must choose whether to utilize the Trigger mechanism or to avail itself of Paragraph 10 and exit the 2021 Agreement. Since the purpose of Paragraph 11 on Tax Changes is to increase or decrease revenues to counterbalance the impact of corporate income tax rate changes, the net operating income impact of the operation of Paragraph 11 should be zero and thus shall not impact application of the Trigger.

(c) The company may exercise the Trigger mechanism provided in the Paragraph during the Term, but not thereafter. The ROE midpoint and range and equity ratio in effect at the expiration of the Term of this 2021 Agreement, and including ROE midpoint and range that are adjusted pursuant to subparagraph 2(b) shall continue in effect until the company's ROE is next reset by a final order of the Commission whether by Paragraph 10 or otherwise.

3. 2022 Revenue Increase.

(a) The Parties agree that Tampa Electric shall change its base rates and charges for a net annual revenue increase amount of \$122,678,000 ("2022 Increase") effective with the first billing cycle of January 2022 and as more specifically described in this Paragraph. Exhibit A shows the changes from the company's Initial Rate Case Filing that have been agreed to by the Parties and incorporated in the determination of the 2022 Increase. The 2022 Increase shall be reflected in customer bills using the cost-of-service principles, billing determinants, rate design considerations, and tariffs specified in Paragraph 6, below. The 2022 Increase is described as a net increase herein, because some of the company's service charges will be lower than the service charges currently in effect.

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 16

ATTACHMENT A

(b) The calculation of the 6.26 percent overall rate of return used to calculate the 2022 Increase is shown in Exhibit B, which is incorporated herein by reference, and reflects the ROE and equity ratio described in Paragraph 2, above.

(c) The Parties agree to the calculation of the company's 2022 annual revenue requirement and 2022 Increase as shown on Exhibit C, which is incorporated herein by reference. The calculation of the 2022 Increase reflects the removal of the (a) undepreciated net book values as of December 31, 2021 of the AMR assets to be retired; (b) undepreciated net book value as of December 31, 2021 of the portions of Big Bend Units One, Two, and Three to be retired from operations no later than December 31, 2023; and (c) reserve deficiency associated with the dismantlement of Big Bend Units One, Two, and Three from the 2022 revenue requirement recovered through base rates and charges and transfer of those costs for cost recovery via the Clean Energy Transition Mechanism ("CETM") described in Paragraph 5, below, and the following six (6) agreed to adjustments to the 2022 projected FPSC jurisdictional rate base and net operating income amounts shown in the company's Initial Rate Case Filing minimum filing requirement schedules ("MFRs"):

(i) *Clean Energy Transition Mechanism*. The Parties agree that revenue requirement for the cost recovery of the: (a) undepreciated net book values as of December 31, 2021 of the AMR assets to be retired; (b) undepreciated net book value as of December 31, 2021 of the portions of Big Bend Units One, Two, and Three to be retired; and (c) reserve deficiency associated with the dismantlement of Big Bend Units One, Two, and Three shall be removed from the: (i) revenue requirement used to develop 2022 base rates and charges and (ii) the 2022 ECRC clause factor determination; and will be recovered through the CETM described in Paragraph 5, below. The

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 17

ATTACHMENT A

adjustments related to the CETM shall be reflected on future ESRs consistent with the cost-of-service adjustment agreed to herein and Commission ESR reporting requirements for clauses.

(ii) *GBRA Assets and Expenses.* The Parties agree that the 2022 thirteen-month average rate base amount shall be reduced by \$84,449,106 to eliminate the potential of double counting in the calculation of the GBRAAs described in Paragraph 4, below. The effect of this change on the 2022 thirteen-month average rate base is shown on Exhibit D. The Parties also agree that 2022 test year O&M expenses should be reduced by \$1.6 million for the same reason. The effect of this change on the 2022 net operating income is shown on Exhibit E. This is a one-time adjustment needed to correct the revenue requirement for 2022 and shall not be reflected on future ESRs.

(iii) *Solar ITC Credits.* The Parties have agreed that the life of solar assets to be used when calculating depreciation rates and expenses shall be extended from 30 years (as initially proposed by the company) to 35 years; consequently, the Parties agree that the amortization period to reflect solar ITCs on a normalized basis should also be extended from 30 to 35 years, resulting in an annual test year increase to income tax expense and reduction to net operating income of \$1,482,776, which when grossed up has the effect of increasing the 2022 revenue requirement by \$1,991,591. This calculation is shown on Exhibit F. The calculation of the 2023 and 2024 GBRAAs specified in Paragraph 4 reflect the economic impact of the change to a 35-year life for solar assets. The impact of this change will be reflected in system per books amounts for future ESRs.

(iv) *O&M Expense - Incentive Compensation.* The Parties have agreed that the amount of incentive compensation expense included in the calculation of 2022 jurisdictional net operating income in the company's Initial Rate Case Filing shall be reduced by \$5 million. This amount is a negotiated amount that compromises a dispute among the Parties, acknowledges the fact that a certain portion of executive and non-executive incentive compensation is related to financial



ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 18

ATTACHMENT A

incentives including increasing shareholder value in the form of earnings per share, while also recognizing that incentive compensation can contribute to increased safety and reliability, and that this negotiated adjustment shall have no precedential value as to any Party in the future. The effect of this change on the 2022 net operating income is shown on Exhibit E. This adjustment shall be reflected on future ESRs.

(v) *Other O&M Expenses.* The Parties have agreed that the total amount of O&M Expenses in the 2022 test year shall be reduced by an additional \$11.5 million from levels identified in the company's Initial Rate Case Filing over the \$5 million incentive compensation adjustment specified above, resulting in a total O&M reduction of \$16.5 million for the 2022 test year. The effect of the incremental \$11.5 million change on the 2022 net operating income is shown on Exhibit E. This additional \$11.5 million reduction is a negotiated amount intended to resolve differences between the Consumer Parties and the Company regarding (a) the level of anticipated savings from future system and process improvements; (b) the appropriate amount of shared services expenses, employee staffing, and other miscellaneous O&M expenses recoverable for the 2022 test year; and (c) to address the resolution of potential disputes about the effects of inflation and the company's 2022 revenue forecast. Instead of the \$11.5 million adjustment that was used to develop the 2022 Revenue Increase, the company will make a \$6 million adjustment on future ESRs to reflect a compromise among the Parties regarding the appropriate level of shared services expenses.

(vi) *Depreciation and Dismantlement Expense.* The 2022 proposed jurisdictional annual depreciation and dismantlement expense proposed by the company in its Initial Rate Case Filing has been reduced by \$28.7 million resulting in a net annual 2022 FPSC Adjusted depreciation and amortization expense of \$376,000,000. This change is a product of certain

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 19

ATTACHMENT A

changes to the company's proposed depreciation and dismantlement rates specified in Paragraph 9, below. The agreed-to depreciation and dismantlement rates and the calculation of the \$28.7 and \$376.0 million amounts specified above are detailed on Exhibit G and the solar asset change calculations are shown on Exhibit H. The FPSC Adjusted depreciation and amortization expense above is based on (a) the agreed-to depreciation and dismantlement rates specified in Paragraph 9, below, (b) the accelerated recovery of the retiring Big Bend Unit One, Two and Three assets and retiring AMR assets moving to the CETM described in Paragraph 5, below, and (c) the recovery of the dismantlement deficiency for the retiring Big Bend Unit One, Two and Three assets moving to the CETM described in Paragraph 5, below. The effect of these rate changes on the 2022 thirteen-month average rate base system per books is shown on Exhibit D. The effect of these rate changes on the 2022 net operating income is shown on Exhibit E. The impact of these changes will be reflected in system per books amounts for future ESRs.

(d) In addition to the adjustments established in this 2021 Agreement as specified in subparagraph 3(c), above, and except as modified by or specified in subparagraph 3(c), the company beginning January 1, 2022 shall reflect the adjustments shown on MFR schedules B-2 (rate base adjustments), C-2 (net operating income adjustments), and D-1b (cost of capital adjustments) on the surveillance reports to be filed during the Term of this 2021 Agreement, and thereafter until the company's general base rates and charges are revised by a future unanimous signed agreement of the Parties approved by a Final Order of the Commission or a Final Order of the Commission issued as the result of the next subsequent general base rate proceeding. Without limiting the generality of the foregoing, the Parties agree that the company's proposed coal inventory target as explained in the testimony of John Heisey and the company's proposed level of economic development expenses as explained in the testimony of Jeffrey S. Chronister are

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 20

ATTACHMENT A

reasonable and prudent, are specifically approved, and shall remain in effect until the company's general base rates and charges are revised by a future unanimous signed agreement of the Parties approved by a Final Order of the Commission or a Final Order of the Commission issued as the result of the next subsequent general base rate proceeding.

4. Generation Base Rate Adjustments (GBRA).

(a) Notwithstanding the general base rate freeze specified in Paragraph 10, the company shall recover the cost of its investment in, and operation of, Phase Two of its Big Bend Modernization Project and Phases Two and Three of its Future Solar projects to the extent of the GBRA as specified in this Paragraph 4.

(b) Effective with the first billing cycle in January 2023 and 2024, the Parties agree that Tampa Electric shall increase its base rates and charges to reflect GBRA in the annual amounts of \$89,754,622 and \$21,376,909, respectively. The calculation of these amounts is shown on Exhibit I, which is incorporated herein by reference.

(c) If the applicable federal or state corporate income tax rate for the company changes before any of the increases provided for in this Paragraph 4, the company will adjust the amount of any such base rate increase to reflect the new corporate income tax rate before the implementation of such increase as specified in Paragraph 11.

(d) If the company's authorized mid-point return on equity changes by operation of subparagraph 2(b) of this 2021 Agreement prior to the effective date of the rate adjustments specified in this subparagraph, the calculation of the GBRA amounts shown on Exhibit I shall be updated to reflect the new mid-point return on equity and customer's bills for billing cycles following such authorization shall reflect the updated mid-point return on equity.

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 21

ATTACHMENT A

(e) While 4 CP is the principle on which the company's next base rate case will be filed, during the Term of the 2021 Agreement, the GBRA's shall be reflected on customer bills by allocating each GBRA revenue requirement to rate classes as shown in Exhibit K and demand and energy base rate charges shall be increased on an equal percentage basis (to the extent practicable) within each class to recover the allocated revenue requirement increase for each class, and shall be calculated based upon the billing determinants used in the company's then-most-current ECCR filing with the Commission for the twelve months following the effective date of any respective GBRA. For GSD, GSLDPR, and GSLDSU rate classes, the increase will be recovered exclusively based on demand charges.

(f) In order to provide adequate time for review by the Commission and the Parties and to provide notice to customers as required by the Commission's rules, the company shall file the tariff changes necessary to implement the GBRA's specified in this Paragraph 4 on or before the dates specified for projected ECRC filings in 2022 and 2023.

(g) Except as specified in this 2021 Agreement, Tampa Electric's base rate and credit levels applied to customer bills, including the effects of the GBRA's implemented pursuant to this 2021 Agreement, shall continue in effect until next reset by future unanimous agreement of the Parties approved by a Final Order of the Commission or a Final Order of the Commission issued as a result of the next subsequent general base rate proceeding.

(h) Nothing in this 2021 Agreement shall preclude any Party to this 2021 Agreement or any other lawful party from participating, consistent with the full rights of an intervenor, in any proceeding that addresses any matter or issue concerning the GBRA provisions of this 2021 Agreement.

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 22

ATTACHMENT A

5. Clean Energy Transition Mechanism (“CETM”).

(a) The Parties agree that (i) the net book value as of December 31, 2021 of the company’s AMR assets to be retired, (ii) the net book value as of December 31, 2021 for the portions of Big Bend Units One, Two, and Three to be retired (including costs slated for recovery via the ECRC) (“Big Bend Retirement Assets”), and (iii) the company’s dismantlement reserve deficiency for the Big Bend Retirement Assets as shown in the company’s MFRs and described in its testimony and as are currently slated for recovery through the ECRC, shall be moved into regulatory asset accounts and recovered from customers using the levelized Clean Energy Transition Mechanism (“CETM”) described in this Paragraph 5 and not through its general base rates and charges or the ECRC. The calculation of the annual levelized CETM revenue amount of \$68,550,000 is attached hereto as Exhibit J, which is incorporated by reference. The company’s new CETM tariff shall be filed in conjunction with the tariff filing specified in Paragraph 6. The following cost-of-service principles and rate design considerations were used to calculate the CETM:

(i) The levelized annual revenue requirement of \$68,550,000 was used to design the initial CETM charges. That amount is made up of two categories of cost: costs associated with the Big Bend retirements and costs associated with the AMR meter retirements. The Big Bend costs were allocated to each rate class using the allocation methodology proposed to the FPSC in the settlement of this base rate proceeding associated with production plant cost (i.e., 4 CP). The AMR costs will be allocated based on the allocation factor used in the company’s overall cost-of-service study in this most recent base rate proceeding, associated with meter plant cost. For purposes of the 2022 CETM charge calculations,

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 23

ATTACHMENT A

the energy billing determinants utilized (to the extent applicable) were the ones contained in the company's Initial Rate Case Filing. For recovery of its CETM charges, TECO agrees to recover CETM costs from demand-metered customers on a demand (i.e., \$/kW) basis, during the term of this 2021 agreement. For non-demand-metered customers, TECO agrees to recover CETM costs on an energy (i.e., \$/kWh) basis, i.e., once allocated to relevant rate classes, each rate class-allocated revenue requirement was divided by the energy billing determinants to derive class rates.

(ii) The CETM factors will be updated periodically, beginning with rates that are effective with the billing cycle that begins approximately on or after January 1, 2025, and as described in subparagraph 5(d) below and as qualified in this subparagraph if any third year identified in that subparagraph is also a test year in a Tampa Electric general base rate proceeding then the update will occur as soon as possible but no later than 90 days after the conclusion of each company general base rate proceeding. The periods subsequent to December 31, 2024 that are covered by the update shall each be known as the "Update Period." The starting point for each subsequent Update Period will be reset based on the effective date of the then most current update as described in subparagraph 5(d).

(b) Each update will be calculated using new forecasted billing determinants for the divisor and updated allocation factors for allocation of the levelized revenue requirement to rate classes based on new forecasted loads of the applicable rate classes. Each Update Period filing shall be submitted for review by the Commission contemporaneous with the projected ECCR filings in the year prior to the proposed effective date of the new CETM factors. For each Update Period, TECO agrees to continue recovering CETM costs from demand-metered customers on a demand (i.e., \$/kW) basis. For non-demand-metered customers, TECO agrees to recover CETM costs on an energy (i.e., \$/kWh) basis.

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 24

ATTACHMENT A

(c) The CETM tariff established in this Paragraph 5 shall become effective with the first billing cycle in January 2022. The CETM shall appear on customer bills as a separate line item denominated as the “Clean Energy Transition Mechanism” (or a reasonable and clear abbreviation of that term if an abbreviation is needed to meet space limitations on the bills) and shall remain in effect for a period of 15 years from the first billing cycle in January 2022 through the last billing cycle of 2036, subject to a final true up in 2036 as described in subparagraph 5(h), below, and shall not be modified except as specified in subparagraphs 5(d), (e), (f), and (g). The mechanism established in this Paragraph 5 was specifically negotiated and established for the fair and reasonable recovery of known, defined costs, resulting in substantial rate mitigation benefits for customers during the Term and thereafter. It is based on the highly specific circumstances of Tampa Electric Company’s unique technological transition to smart meters and solar energy, is not intended to be a new cost recovery clause and shall not be expanded to allow recovery of costs other than those specified herein without the express written consent of all of the Parties to this 2021 Agreement. Further, the creation of the CETM is based on the give-and-take and compromises among the Parties and is in no way intended to be a precedent for adoption by the Commission for another utility who does not share the identical circumstances.

(d) *Periodic CETM Factor Updates.* Beginning in 2024, and every three years, or as modified by the timing of a general base rate proceeding provided in subparagraph 5(a)(ii) above, and thereafter until the 15-year CETM period expires, the company shall prepare and file with the FPSC a tariff filing reflecting the company’s proposed CETM billing factors for the next Update Period to be effective with the first billing cycle of the following year. The CETM factors for each Update Period shall be calculated using the \$68,550,000 annual CETM amount as adjusted pursuant to this Paragraph 5 and the billing determinants used in the company’s ECCR filing with

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 25

ATTACHMENT A

the Commission for the first calendar year CETM factors will be in effect. The Parties agree that these Update Period filings are not a clause-like proceeding and shall not be a vehicle for a “rate case” type inquiry into the operations, investments, and finances of the company, and that annual amount of revenue to be recovered through the CETM shall not be changed except as specified in this Paragraph 5. If the CETM is adjusted prospectively as specified in subparagraphs 5(e), (f), or (g), the Update Period for the next factor adjustment shall be re-set and run from January of the year following the effective date of the changes resulting from application of subparagraphs 5(e), (f), or (g). Nothing in this 2021 Agreement shall preclude any Party to this 2021 Agreement or any other lawful party from participating in the Update Period review of the CETM charges, consistent with the full rights of an intervenor.

(e) *Dismantlement Cost True-Up.*

(i) The amount for the Big Bend Unit One, Two, and Three assets to be retired (“Big Bend Retirement Assets”) in the company’s projected dismantlement reserve balance as of December 31, 2021 is \$8,301,987. The company’s projected dismantlement reserve deficiency as of December 31, 2021 is \$111,088,808. The calculation of the CETM reflects recovery of this \$111,088,808 reserve deficiency over a period of 13 years beginning January 2024, as shown in Exhibit J. The total of the company’s projected depreciation and dismantlement reserve balance as of December 31, 2021 and the company’s projected dismantlement reserve deficiency as of December 31, 2021 for the Big Bend Retirement Assets is \$119,301,987 and shall be referred to herein as the “Big Bend Retirement Asset Dismantlement Estimate.”

(ii) The amount of dismantlement costs the company will actually incur to dismantle the Big Bend Retirement Assets will not be known with certainty until the dismantlement work occurs and has been completed. During the first annual CETM Factor Filing after the



ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 26

ATTACHMENT A

dismantlement of the Big Bend Retirement Assets is complete and the related work orders have been closed, the company shall propose to adjust the CETM prospectively to reflect the actual costs associated with dismantlement recorded in the regulatory asset accounts. While the company shall have sole discretion as to the timing of the dismantlement true-up process, it agrees to incorporate such dismantlement true-up proposal into the Update Period true-up, to the extent it is feasible. As part of this true-up process, the difference between the actual amount of dismantlement costs incurred and the Big Bend Retirement Asset Dismantlement Estimate, plus the associated carrying costs calculated using the company's then applicable overall ROR, shall result in the true-up amount – whether positive or negative – and the CETM factors shall be adjusted to reflect the true-up amount over whatever portion of the 15-year CETM period remains. Nothing in this 2021 Agreement shall preclude any Party to this 2021 Agreement or any other lawful party from participating, consistent with the full rights of an intervenor, in any proceeding that addresses any matter or issue concerning the Dismantlement True-Up of the CETM.

(f) *Overall Rate of Return Adjustments to the CETM.* The CETM annual revenue recovery amount shall be adjusted prospectively to reflect changes to the company's updated overall rate of return each time the company's midpoint return on equity is reset in a proceeding that adjusts the company's general base rates and charges, including, but not limited to, by operation of the Trigger. The adjustment contemplated in this subparagraph will apply the company's new overall rate of return (based on the company's new FPSC-approved weighted average cost-of-capital calculated using updated capital balances and cost rates) to the return calculation used to compute the CETM annual revenue amount. Within a reasonable time after the company's authorized midpoint return on equity has been adjusted and a new overall rate of return has been approved, the company will file a petition with the FPSC to adjust the CETM annual

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 27

ATTACHMENT A

revenue amount prospectively to reflect the updated overall rate of return. While the company shall have sole discretion as to the timing of the dismantlement true-up process, it agrees to incorporate such overall rate of return true-up proposal into the Update Period true-up, to the extent it is feasible. Nothing in this 2021 Agreement shall preclude any Party to this 2021 Agreement or any other lawful party from participating, consistent with the full rights of an intervenor, in any proceeding that addresses any matter or issue concerning a Rate of Return Adjustment to the CETM annual revenue amount.

(g) *Corporate Income Tax Rate Changes to CETM.* The CETM annual revenue recovery amount shall be adjusted prospectively each time federal or state corporate income tax rates (or another provision covered under Paragraph 11 which is applicable to the cost elements included for recovery through the CETM) are increased or decreased. The adjustment contemplated in this subparagraph will apply the new statutory corporate income tax rates in the revenue requirement calculation used to compute the CETM amount. Within a reasonable time after the company becomes aware of a federal or state corporate income tax rate change, the company will file a petition with the FPSC to adjust the CETM annual recovery amount prospectively to reflect the new statutory corporate income tax rate(s) as of the effective date of the rate change. While the company shall have sole discretion as to the timing of the tax true-up process, it agrees to incorporate such overall rate of return true-up proposal into the Update Period true-up, to the extent it is feasible. Any effects of the Paragraph 11 Tax Change provision changes on the CETM annual revenue amount from the effective date of the corporate income tax rate change through the date the updated CETM factors become effective shall be flowed back to or collected from customers through the ECCR on the same basis as used in any base rate adjustment. Nothing in this 2021 Agreement shall preclude any Party to this 2021 Agreement or any other

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 28

ATTACHMENT A

lawful party from participating, consistent with the full rights of an intervenor, in any proceeding that addresses any matter or issue concerning a corporate income tax rate adjustment to the CETM annual revenue amount.

(h) *Final True-Up*. During 2037, the company shall petition the Commission to true up the total amount recovered for the CETM through the end of 2036 so the total amount of costs recovered from the CETM equals the annual \$68,550,000 specified above as adjusted for actual dismantlement costs in subparagraph (c), overall rate of return in subparagraph (f), and any corporate income tax changes in subparagraph (g), above. The total true-up amount shall be credited or debited to the ECCR (or another clause if there is no ECCR in 2037) in conjunction with the 2036 true-up filing in 2037. This true-up shall also be designed to adjust for any over- or under-recovery of the revenue requirement applicable to the 15<sup>th</sup> year of the CETM.

(i) *Survival of CETM Provisions*. This Paragraph 5 shall survive the Term, the expiration of the Term by operation of the 2021 Agreement and any early termination of this 2021 Agreement pursuant to Paragraph 10, and shall remain in effect until the last billing cycle of December 31, 2036, subject to the Final True Up specified in subparagraph 5(h). The Parties acknowledge that (i) the levelized nature of the CETM benefits customers in the early years of the CETM, because the levelized annual revenue amount for recovery is lower than it would be using a traditional declining net book value ratemaking approach, (ii) this benefit to the customers has a corresponding and material cost to the company, (iii) that the benefits and costs to the customers and the company even out over the life of the mechanism, (iv) that the company's willingness to agree to the levelized cost-recovery approach reflected in the CETM is reasonable and in justifiable reliance on the CETM remaining in effect for the entire 15-year period contemplated herein, and (v) it would be inequitable for the CETM to be terminated before the company fully

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 29

ATTACHMENT A

recovers the costs anticipated to be recovered via CETM as specified in Exhibit J, and as adjusted for actual dismantlement costs as described in subparagraph 5(d), but no more than the adjusted amount.

6. Cost-of-Service Study, Billing Determinants, Rate Design, and Customer Rates.

(a) Effective with the first billing cycle in January 2022, the company shall be authorized to change its base rates and charges for a net annual revenue increase amount of approximately \$122,678,000 based on the 2022 billing determinants reflected in the company's Initial Rate Case Filing in this proceeding, adjusted to reflect correction of errors identified during the discovery process and the cost recovery revenue distribution shown on Exhibit K. The updated and agreed-to tariffs reflecting the customer rates and charges and other terms and conditions of service specified herein to become effective with the first billing cycle in January 2022 will be those in the company's Initial Rate Case Filing as updated to reflect the changes specified in this 2021 Agreement, and shall be filed with the FPSC within two-weeks of the date of submission of this 2021 Agreement for approval. Approval of this 2021 Agreement by the Commission shall constitute approval of the tariffs filed pursuant to this Paragraph 6.

(b) The following cost-of-service principles and rate design considerations are agreed to by the Parties and will be reflected in the tariff sheets to be filed as specified above:

(i) Transition to 100% implementation and application of Minimum Distribution System ("MDS") in the cost-of-service study for rate allocation purposes; however, retain the proposed basic service charge rate design for the RS and GS rate classes notwithstanding the 100% implementation of MDS in this case;

(ii) Allocate solar production plant costs in the cost-of-service study consistent with how non-solar production plant costs are allocated;

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 30

ATTACHMENT A

(iii) Transition to allocation, using a full 4 CP (three summer and one winter month) method for all production and transmission costs to each rate schedule within the cost-of-service study;

(iv) Increase stand by generator conservation program and interruptible conservation program credits as described in subparagraph 6(i) below;

(v) Certain changes and additions to (a) Lighting Tariff's LS-1 and LS-2 and (b) standard lighting contracts as shown on Exhibit L; and

(vi) The company's proposed service charges as included in its Initial Rate Case Filing.

(c) Except as specified in this 2021 Agreement, the company's general base rates, charges, credits, and rate design methodologies, for retail electric service specified in Paragraph 6, above, shall remain in effect for billing cycles through and including December 31, 2024, until revised by a future unanimous signed agreement of the Parties approved by a Final Order of the Commission or a Final Order of the Commission issued as the result of the next subsequent general base rate proceeding; however, nothing in this 2021 Agreement shall limit the ability of the company to begin collecting proposed new base rates and charges or a portion thereof subject to refund effective after the first billing cycle in January 2025 if the eight-month period of withheld consent specified in Section 366.06(3), Florida Statutes, has expired.

(d) The company shall, effective with the first billing cycle of 2022, allocate among its respective rate schedules all the revenue requirements established under this 2021 Agreement by applying the cost recovery revenue distribution shown on Exhibit K. This revenue attribution was derived by application of the 4 CP methodology for allocating production and transmission plant costs and the use of the full Minimum Distribution System ("MDS") costing method for allocating distribution plant costs, as mitigated. The Parties have agreed to the transitional revenue

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 31

ATTACHMENT A

percentage allocations shown in Exhibit K. with the further understanding that the company will, for purposes of meeting its initial burden of proof in complying with Rule 25-6.043, F.A.C., in Tampa Electric Company's next general base rate proceeding, file the cost-of-service MFRs using the 4 CP and full MDS methods for cost allocation. The company further commits to base its filed revenue attribution among customer classes in its next general base rate proceeding on full implementation of the 4 CP and MDS methodologies, and in that initial filing to substantially and materially improve the position of all above-parity customer classes toward parity, such that costs are allocated and revenue is collected consistent with 4 CP and full MDS methods. All Parties and affiliates of TECO ("Precluded Parties") will either not oppose, or will support, the 4 CP and full MDS implementation. If the 4 CP or full MDS methodology is opposed in the next general base rate case by an entity other than a Precluded Party, the Parties will indicate that they continue to support or not oppose implementation of the 4 CP and full MDS, but in response, may offer responsive information on alternative cost-of-service methodologies and revenue allocation methodologies solely on an alternative basis.

(e) With respect to cost recovery clauses that recover plant investment costs, it is the intent of the Parties that the company shall use the midpoint return on equity and equity ratio specified in Paragraph 2 and shall allocate among its respective rate schedules the annual cost recovery amounts to be recovered by applying the cost recovery revenue distribution shown on Exhibit K, and that the revenue distribution in Exhibit K shall be used in cost recovery clauses that recover plant investment costs until the company's general base rates and charges are revised by a future unanimous agreement of the Parties approved by a Final Order of the Commission or a Final Order of the Commission issued as the result of the next subsequent general base rate proceeding, subject to the following:

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 32

ATTACHMENT A

(i) *Storm Protection Plan Cost Recovery Clause.* The Commission's proceeding to establish 2022 cost recovery factors for the Storm Protection Plan ("SPP") is complete and the Commission has given its staff authority to administratively approve updates the company's 2022 SPP factors to reflect the provisions of this 2021 Agreement if it is approved. Upon approval of this 2021 Agreement, the company shall submit revised 2022 SPP factors for review and approval by Staff within a reasonable time so that the impact of this 2021 Agreement will be reflected in the 2022 SPP factors effective with the first billing cycle in January 2022.

(ii) *Other Clauses that Recover Plant Investment.* The Parties acknowledge that the company's 2022 projection filings for the ECCR and ECRC will likely be made before the Commission has an opportunity to approve this Agreement, but nevertheless desire that the company begin using the midpoint return on equity, equity ratio and revenue allocations specified in this 2021 Agreement for those clauses beginning with the first billing cycle of January 2022. Accordingly, the company may submit its 2022 projection filings in these two dockets without reflecting the terms of this 2021 Agreement, but upon approval of this 2021 Agreement will promptly submit to the Commission updated projection filings reflecting the midpoint return on equity, equity ratio and revenue allocations specified in this 2021 Agreement so that the 2022 cost recovery factors reflecting these inputs can become effective with the first billing cycle in January 2022.

(f) Except as expressly provided in this 2021 Agreement, the company may not petition to change any of its general base rates, charges, credits, cost allocation or rate design methodologies for retail electric service with an effective date for any such changes earlier than January 1, 2025.

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 33

ATTACHMENT A

(g) Notwithstanding subparagraphs 6(c) and 6(f), the company shall be authorized to change its base rates during the Term of this 2021 Agreement as set forth in Paragraphs 2(b), 4, 5, 6(c), and 11 in accordance with procedures identified therein for the Trigger, the GBRA mechanism, CETM factor updates, and the Tax Change provision.

(h) The current lock period for the Contracted Credit Value ("CCV") shall remain 72 months (6 years).

(i) The company's standby generator credit and commercial demand response credit shall be increased from \$5.35/kW/month to \$6.15/kW/month, concurrent with meter reads for the first billing cycle of January 2022. The CCV credit shall be increased from \$10.23/kW/month to \$11.75/kW/month for secondary, \$10.13/kW/month to \$11.63/kW/month for primary, and \$10.03/kW/month to \$11.52/kW/month for sub-transmission voltage customers, concurrently with meter readings for the first billing cycle of January 2022. To the extent that implementation of these revised credits results in an under-recovery or over-recovery of revenues that are subject to the ECCR, the company shall be authorized to make an adjustment to remedy any such under-recovery or over-recovery in its ECCR charges for 2023 and thereafter. The level of these credits will not change during the Term and will remain in effect after the expiration of the Term until changed, if at all, by a future unanimous signed agreement of the Parties approved by a Final Order of the Commission or a Final Order of the Commission issued as a result of the next subsequent general base rate proceeding. The credit modifications addressed in this subparagraph 6(g) will be reflected in the revised tariff sheets to be filed pursuant to this 2021 Agreement, the approval of which shall constitute approval of the revised tariff sheets.

(j) The company's Economic Development Rider, which is set forth in Rate Schedule ECONOMIC DEVELOPMENT RATE – EDR of the company's retail tariff, shall remain in effect



ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 34

ATTACHMENT A

during the Term and thereafter until modified or terminated by order of the Commission. The Parties intend that the Commission's approval of this 2021 Agreement shall constitute continuing approval of the Economic Development Rider and that such approval shall satisfy the requirements of Rule 25-6.0426(3) - (6), F.A.C., and accordingly, the reductions afforded in Rate Schedule EDR shall be included as a cost in the company's cost of service for all ratemaking purposes and surveillance reporting. The rates in the Economic Development Rider shall be open for new customers and for new applications by existing customers through December 31, 2024, unless the maximum amount of economic development expenditures as specified in Rule 25-6.0426, F.A.C., is met, at which time the Economic Development Rider will be closed to new customers and to new applications by existing customers until the amount again falls below the maximum allowed.

(k) The provisions of this Paragraph 6 shall remain in effect during the Term except as otherwise permitted or provided for in this 2021 Agreement and shall continue in effect until changed by a unanimous signed agreement of the Parties approved by a Final Order of the Commission or a Final Order of the Commission issued as a result of the next subsequent general base rate proceeding.

7. Other Cost Recovery. Nothing in this 2021 Agreement shall preclude the company from requesting the Commission to approve the recovery of costs that are: (a) of a type which traditionally or historically would be, have been, or are presently recovered through cost recovery clauses or surcharges, or (b) incremental costs not currently recovered in base rates which the Legislature expressly requires shall be clause recoverable. Except as specified in this 2021 Agreement, the company shall not seek to recover, nor shall the company be allowed to recover, through any cost recovery clause or charge, or through the functional equivalent of such cost recovery clauses and charges, costs of any type or category that have historically or traditionally

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 35

ATTACHMENT A

been recovered in base rates, unless such costs are: (i) the direct and unavoidable result of new governmental impositions or requirements such as, for example and without limitation, express carbon reduction or express renewable energy mandates; or (ii) new or atypical costs that have not been litigated before the Commission because they were unforeseeable (in contrast to, for instance, pandemic costs) and could not have been contemplated by the Parties resulting from significantly changed industry-wide circumstances directly affecting the company's operations. As a part of the base rate freeze agreed to herein, the company will not seek Commission approval to defer for later recovery in rates, any costs incurred or reasonably expected to be incurred (such as those which have been litigated before the Commission (e.g. pandemic costs)), from the Effective Date through and including December 31, 2024, which are of the type which historically or traditionally have been or would be recovered in base rates, unless such deferral and subsequent recovery is expressly authorized herein or otherwise agreed to in a writing signed by each of the Parties. The Parties are not precluded from participating in any proceedings pursuant to this Paragraph 7, nor is any Party precluded from raising any issues pertinent to any such proceedings or the enforcement of this 2021 Agreement. This Paragraph 7 shall expire at the end of the Term or upon termination of the 2021 Agreement pursuant to Paragraph 10.

8. Storm Damage.

(a) Nothing in this 2021 Agreement shall preclude Tampa Electric from petitioning the Commission to seek recovery of costs associated with any tropical systems named by the National Hurricane Center or its successor without the application of any form of earnings test or measure and irrespective of previous or current base rate earnings. Consistent with the rate design and cost allocation methods approved in this 2021 Agreement, the Parties agree that recovery of storm costs from customers will begin, on an interim basis (subject to refund following a hearing or a full

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 36

ATTACHMENT A

opportunity for a formal proceeding), sixty days following the filing by the company of a cost recovery petition and tariff with the Commission and will be based on a 12-month recovery period if the storm costs do not exceed \$4.00/1,000 kWh on monthly residential customer bills. In the event the company's reasonable and prudent storm costs exceed that level, any additional costs in excess of \$4.00/1,000 kWh shall be recovered in a subsequent year or years as determined by the Commission, after hearing or after the opportunity for a formal proceeding has been afforded to all substantially affected persons or parties. All storm related costs shall be calculated and disposed of pursuant to Rule 25-6.0143, F.A.C., and shall be limited to (i) costs resulting from such tropical system named by the National Hurricane Center or its successor, (ii) the estimate of incremental storm restoration costs above the level of storm reserve prior to the storm, and (iii) the replenishment of the storm reserve to \$55,860,642. The Parties to this 2021 Agreement are not precluded from participating in any such proceedings and opposing the amount of Tampa Electric's claimed costs (for example, and without limitation, on grounds that such claimed costs were not reasonable or were not prudently incurred) or whether the proposed recovery is consistent with this Paragraph 8, but not the mechanism agreed to herein.

(b) The Parties agree that the \$4.00/1,000 kWh cap in this Paragraph 8 shall apply in aggregate for a calendar year; provided, however, that Tampa Electric may petition the Commission to allow Tampa Electric to increase the initial 12 month recovery at rates greater than \$4.00/1,000 kWh or for a period longer than 12 months if Tampa Electric incurs in excess of \$100 million of storm recovery costs that qualify for recovery under subparagraph 8(a) in a given calendar year, inclusive of the amount needed to replenish the storm reserve to \$55,860,642. All Consumer Parties reserve their right to oppose such a petition or take any position thereon.

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 37

ATTACHMENT A

(c) The Parties expressly agree that any proceeding to recover costs associated with any storm shall not be a vehicle for a "rate case" type inquiry concerning the expenses, investment, or financial results of operations of Tampa Electric and shall not apply any form of earnings test or measure or consider previous or current base rate earnings. Such issues may be fully addressed in any subsequent Tampa Electric base rate case.

(d) The provisions of this Paragraph 8 shall remain in effect during the Term except as otherwise permitted or provided for in this 2021 Agreement and shall continue in effect until the company's base rates are next reset by the Commission. For clarity, this means that if this 2021 Agreement is terminated pursuant to Paragraph 10 hereof, the company's rights regarding storm cost recovery under this 2021 Agreement are terminated at the same time, except that any Commission-approved surcharge then in effect shall remain in effect until the costs subject to that surcharge are fully recovered. A storm surcharge in effect without approval of the Commission shall be terminated at the time this 2021 Agreement is terminated pursuant to Paragraph 10 hereof.

(e) During the Term, the company will continue to follow the Future Process Improvements specified in the Tampa Electric Storm Cost Settlement Agreement filed with the FPSC on April 9, 2019 and approved by Order No. PSC-2019-0234-AS-EI, issued June 14, 2019 in Docket No. 201702711-EI. Inclusion of this subparagraph (e) shall not be construed to mean that the expiration of the Term or termination of this 2021 Agreement has any effect on the effectiveness or validity of Order No. PSC-2019-0234-AS-EI.

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 38

ATTACHMENT A

9. Depreciation.

(a) The Parties agree and intend that, notwithstanding any requirements of Rules 25-6.0436 and 25-6.04364, F.A.C., the company shall not be required during the Term of this 2021 Agreement to file any depreciation study or dismantlement study. The depreciation and amortization accrual rates specified on Exhibit G to this 2021 Agreement or otherwise in effect on December 31, 2021 shall remain in effect during the Term or until the company's next depreciation study and resulting depreciation and dismantlement rates have been approved, whichever is later. Notwithstanding the previous sentence, during the Term, the company may in its sole discretion petition, on an estimated earnings-neutral basis, the Commission to extend the lives of lighting assets and thereby reduce depreciation rates for lighting assets, and the Parties reserve all rights to oppose such petition, except that they may not claim that the petition violates this 2021 Agreement.

(b) Notwithstanding the provisions of subparagraph 9(a) above, the company shall file a depreciation and dismantlement study or studies no more than one year, nor less than 90 days, before the filing of its next general base rate proceeding, such that there is a reasonable opportunity for the Consumer Parties to review, analyze and potentially rebut depreciation rates or other aspects of such depreciation and dismantlement studies contemporaneously with the company's general base rate proceeding referenced in the first sentence of this subparagraph 9(b). The depreciation and dismantlement study period shall match the test year in the MFRs accompanying the general base rate case filed in accordance with this subparagraph, with all supporting data in electronic format with links, cells, and formulae intact and functional, and shall be timely served upon all Consumer Parties and all intervenors in such subsequent rate case.

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 39

ATTACHMENT A

10. Earnings.

(a) Notwithstanding Paragraph 2, and subject to the Trigger provisions in subparagraph 2(b) above, if Tampa Electric's earned return on common equity falls below 9.00% during the Term on a compliant monthly earnings surveillance report stated on an actual Commission thirteen-month average adjusted basis, Tampa Electric may petition the Commission to amend its base rates either through a general rate proceeding under Sections 366.06 and 366.07, Florida Statutes, or through a limited proceeding under Section 366.076, Florida Statutes. Nothing in this 2021 Agreement shall be construed as an agreement by the Consumer Parties that a limited proceeding would be appropriate, and Tampa Electric acknowledges and agrees that the Parties reserve and retain all rights to challenge the propriety of any limited proceeding or to assert that any request for base rate changes should properly be addressed through a general base rate case, as well as to challenge any substantive proposals to change the company's rates in any such future proceeding. This floor of 9.00% shall be subject to adjustment in accordance with the Trigger provision in subparagraph 2(b). For purposes of this 2021 Agreement, "Commission actual adjusted basis" and "actual adjusted earned return" shall mean results reflecting all adjustments to Tampa Electric's books required by the Commission by rule or order, but excluding pro forma adjustments. No Consumer Parties shall be precluded from participating in any proceeding initiated by Tampa Electric to increase base rates pursuant to this Paragraph 10, and no Consumer Party is precluded from opposing or seeking to modify Tampa Electric's request.

(b) Notwithstanding Paragraph 2, and subject to the Trigger in subparagraph 2(b) above, if Tampa Electric's earned return on common equity exceeds 11.00% during the Term on a compliant monthly earnings surveillance report stated on an actual Commission thirteen-month average adjusted basis, no Party shall be precluded from petitioning the Commission for a review

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 40

ATTACHMENT A

of Tampa Electric's base rates. In any case initiated by Tampa Electric or any other Party pursuant to Paragraph 7, all Parties will retain full rights conferred by law. The ceiling of 11.00% set forth in this subparagraph shall be subject to adjustment in accordance with the Trigger provision in subparagraph 2(b).

(c) Notwithstanding Paragraph 2 and subject to the Trigger provisions in subparagraph 2(b) above, this 2021 Agreement shall terminate upon the effective date of any Final Order of the Commission issued in any proceeding pursuant to Paragraph 10 that changes Tampa Electric's base rates prior to the last billing cycle of December 2024.

(d) This Paragraph 10 shall not: (i) be construed to bar Tampa Electric from requesting any recovery of costs otherwise contemplated by this 2021 Agreement; (ii) apply to any request to change Tampa Electric's base rates that would become effective after the expiration of the Term of this 2021 Agreement; (iii) limit any Party's rights in proceedings concerning changes to base rates that would become effective subsequent to the Term of this 2021 Agreement to argue that Tampa Electric's authorized ROE range should be different than as set forth in this 2021 Agreement; or (iv) affect the provisions of subparagraphs 6(d), 6(f) and 6(g) of this 2021 Agreement.

(e) Notwithstanding any other provision of this 2021 Agreement, the Parties fully and completely reserve all rights available to them under the law to challenge the level or rate structure (or the cost-of-service or cost allocation methodologies underlying them) of Tampa Electric's base rates, charges, credits, and rate design methodologies effective as of January 1, 2025 or thereafter, except as modified by Paragraph 6(c) above. It is specifically understood and agreed that this 2021 Agreement does not preclude any Consumer Party from filing before January 1, 2025, an action to challenge the level or rate structure (or the cost-of-service methodologies underlying them) of

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 41

ATTACHMENT A

Tampa Electric's base rates, charges, and credits effective as of January 1, 2025 or thereafter, provided they support full MDS and 4 CP cost allocations.

11. Corporate Income Tax Changes.

(a) Changes to federal and state corporate income tax rules after the Effective Date of this 2021 Agreement ("Tax Changes") can take many forms, including changes to corporate income tax rates, deductibility of costs, and the timing of deductibility of certain costs. It can also affect the availability of existing or new tax credits. Tax Changes can impact the effective corporate income tax rate used by a utility to (1) calculate and report FPSC adjusted net operating income and (2) measure existing and prospective deferred income tax assets and liabilities in the FPSC adjusted capital structure. Corporate income tax rate decreases will decrease the statutory tax rate used to calculate net operating income and generate excess accumulated deferred income tax ("ADIT") excesses. Corporate income tax rate increases will increase the statutory tax rate used to calculate net operating income and create ADIT deficiencies.

(b) *Accumulated Deferred Income Taxes and Normalization.*

(i) The Internal Revenue Code ("IRC") requires public utilities who use accelerated depreciation on utility property for tax purposes (like Tampa Electric) to follow a set of rules called "normalization requirements." These rules specify that a public utility can only use accelerated depreciation for income tax purposes if its regulator permits recovery of deferred income taxes on the differences resulting from using accelerated depreciation for income tax purposes and straight-line depreciation for regulatory accounting.

(ii) Depreciation-related method and life differences are currently considered "protected" under the IRC; other book-tax temporary differences are considered "unprotected." The normalization requirements also apply to investment tax credits and certain contributions in



ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 42

ATTACHMENT A

aid of construction. Losing the ability to claim accelerated depreciation for federal corporate income tax purposes is the penalty for failure to follow the normalization requirements. FPSC Rule 25-14.013, F.A.C. (“FPSC Tax Rule”), acknowledges the protected/unprotected distinction in the IRC.

(iii) Consistent with the FPSC Tax Rule, the company records accumulated deferred income taxes in its accounting records when they arise based on the corporate income tax rate expected to be in effect when the difference reverses, which ordinarily is the tax rate in effect at the time an item of utility plant is placed in service. If the corporate income tax rate later declines, applicable accounting standards and the FPSC Tax Rule require the company to remeasure its ADIT balances at the lower rate, and a portion of the ADIT balance becomes “excess.” If the corporate income tax rate later increases, the company must remeasure its ADIT balances at the higher rate, which can result in an ADIT “deficiency.”

(iv) The FPSC Tax Rule addresses the impact of corporate income tax rate decreases *and increases* on ADIT, and states: “Each utility shall then recalculate all deferred income tax balances to reflect the enacted income tax rates in the period the timing differences are expected to reverse. The difference between the deferred income tax balances per books and the recalculated balances shall be recorded in regulatory asset and liability accounts as prescribed by the applicable Uniform System of Accounts at the time of recalculation.”

(v) When the federal corporate income tax rate was reduced in 1986 (Tax Reform Act of 1986) and 2017 (Tax Cuts and Jobs Act of 2017 or “TCJA”), Congress included a transition rule governing the remeasurement of protected ADIT at the new, lower rates called the average rate assumption method (“ARAM”), and Tampa Electric followed it. The ARAM required that protected ADIT be reduced (remeasured at the new, lower tax rate) over the remaining lives of the

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 43

ATTACHMENT A

property that gave rise to the ADIT as the temporary differences reverse. Failure to follow the ARAM for protected ADIT would have violated the normalization requirements in the IRC.

(vi) The TCJA did not specify a remeasurement rule for excess unprotected ADIT, but the Tax Reform provision in the company's 2017 Agreement (Paragraph 9) required the company to amortize excess unprotected ADIT as a reduction to income tax expense ratably over a five- or ten-year period depending on the amount of unprotected excess ADIT.

(c) If Tax Changes are enacted and become effective after this 2021 Agreement has been executed by the Parties and during the Term, the following provisions shall apply:

(i) The company will calculate the impact of Tax Changes on its retail jurisdictional net operating income thereby neutralizing the FPSC adjusted net operating income of the Tax Changes up or down to a net zero. The company will use its forecasted earnings surveillance report for the calendar year that includes the period in which Tax Changes are effective to calculate the impact of Tax Changes.

(ii) The impacts of Tax Changes, including, without limitation, rate changes and changes to the availability of existing and new tax credits and other similar tax benefits on a normalized basis, on base revenue requirements as calculated in subparagraph 11(c)(i) – up or down - will be reflected in the company's general base rates and charges through a prospective adjustment to those rates and charges to be effective within the later of: (a) 180 days from the date when Tax Changes become law or (b) the effective date of Tax Changes. This prospective adjustment to base rates and charges shall be accomplished through an equal percentage change – up or down - to customer, demand, and energy base rate charges as applicable for all retail customer classes.

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 44

ATTACHMENT A

(iii) Any effects of Tax Changes on retail revenue requirements from the effective date through the date of the base rate adjustment shall be flowed back to or collected from customers through the ECCR on the same basis as used in any base rate adjustment.

(iv) The company will adjust any GBRA that has not gone into effect up or down to reflect the new corporate income tax rate and the normalization of any new tax credits applicable to Future Solar projects on the revenue requirement for the GBRA. The effect of Tax Changes on a GBRA that has gone into effect will be addressed as part of the calculation in subparagraph 11(c)(i), above. The company will also adjust the CETM prospectively to reflect any new corporate income tax rate as specified in Paragraph 5.

(v) *ADIT Generally.* Any excess ADIT or ADIT deficiencies arising from Tax Changes shall be deferred to a regulatory asset or liability which shall be included in FPSC adjusted capital structure and flowed back to or collected from customers over a term consistent with law and the terms of this proposal.

(vi) *Protected Deferred Taxes.* If the Tax Changes law contains requirements governing the remeasurement of protected ADIT at the new corporate income tax rate – up or down – such as the ARAM, the company will follow those requirements. If the Tax Changes law does not contain requirements for “protected” ADIT, the company shall remeasure the ADIT arising from depreciation-related method and life differences – up or down – and adjust them up or down ratably over the total average remaining book life of the assets associated with the depreciation-related method and life differences.

(vii) *Unprotected Deferred Taxes – Tax Rate Increase.* If the Tax Changes law does not contain requirements governing the remeasurement of the kinds of ADIT that are currently considered “unprotected” and the corporate income tax rate goes up, the company shall net the

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 45

ATTACHMENT A

amount of unamortized excess ADIT remaining on its books (from TCJA) as of the effective date of Tax Changes against the total unprotected ADIT deficiency arising from Tax Changes and shall amortize the resulting net ADIT excess or deficiency ratably for five years or ten years as follows:

(a) for five years if the net excess or deficiency amount is \$100 million or less or (b) over ten years if the amount is over \$100 million.

(viii) *Unprotected Deferred Taxes –Corporate Income Tax Rate Decrease.* If the Tax Changes law does not contain requirements governing the remeasurement of the kinds of ADIT that are currently considered “unprotected” and the corporate income tax rate goes down, the company shall add the amount of unamortized excess deferred taxes remaining on its books (from TCJA) as of the effective date of Tax Changes to the total unprotected ADIT excess arising from Tax Changes and shall amortize the resulting total ADIT excess ratably for five years or ten years as follows: (a) for five years if the total excess is \$100 million or less or (b) over ten years if the amount is over \$100 million.

(ix) The annual effect of the remeasurement of ADIT specified in subparagraphs 11(c)(vi – viii) shall be included as an increase or decrease to annual tax expense calculated at the new corporate income tax rate as specified in subparagraph 11(c)(i).

(x) As subsequent information becomes available, such as the tax return being filed, any true ups or adjustments will be evaluated and implemented within 120 days of that information being available.

(d) This action contemplated in this Paragraph 11 shall be accomplished in a limited proceeding initiated by the company and, except as required to perform the calculation in subparagraph 11(c)(i), without regard to the actual or projected earnings levels of the company and without a “base rate case” type inquiry into the operations, investments, and finances of the

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 46

ATTACHMENT A

company. Nothing in this 2021 Agreement shall preclude any Party or any other lawful party from participating, consistent with the full rights of an intervenor, in any proceeding that addresses any matter or issue concerning the Tax Change provisions of this 2021 Agreement.

(e) This Paragraph 11 shall expire at the end of the Term or upon termination of the 2021 Agreement pursuant to Paragraph 10.

12. Asset Optimization Mechanism. The Parties consent to the FPSC's approval of, and request that the Commission approve, an extension of, the company's Asset Optimization Mechanism as set forth in its Petition in Docket No. 20160160-EI, dated June 30, 2016, for a three-year period beginning January 1, 2022, with the following sharing thresholds: (a) up to \$4.5 million/year, 100 percent gain to customers; (b) greater than \$4.5 million/year and less than \$8.0 million/year, 60 percent to shareholders and 40 percent to customers; and (c) greater than \$8.0 million/year, 50 percent to shareholders and 50 percent to customers. The Parties further agree that (i) 100 percent of any revenue from the release of natural gas pipeline capacity by Tampa Electric either directly or indirectly (e.g., through arrangement with an affiliate) during the Term shall not be subject to sharing under the Asset Optimization Mechanism and shall be credited entirely to retail customers through the fuel and purchase power adjustment clause ("Fuel Clause") and (ii) any retirement/release of railcars will be taken into account in the Fuel Clause and will not be a matter subject to sharing through the Asset Optimization Mechanism. This Paragraph 12 shall expire at the end of the Term or upon termination of the 2021 Agreement pursuant to Paragraph 10.

13. Other.

(a) Except as specified in this 2021 Agreement, the company will enter into no new natural gas financial hedging contracts for fuel during the Term.

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 47

ATTACHMENT A

(b) The company agrees that it will not seek to recover any costs from its customers related to investments in oil and/or natural gas exploration, reserves, acreage and/or production, including but not limited to investments in gas or oil exploration or production projects that utilize “fracking” (hydraulic fracturing) or similar technology, during the Term.

(c) For any non-separated or non-stratified wholesale energy sales during the Term, the company will credit its fuel clause for an amount equal to the company’s incremental cost of generating or purchasing the amount of energy sold during the hours that any such sale was made.

(d) The full benefits of solar renewable energy credits (“RECs”) (including any and all rights attaching to environmental attributes) associated with the company’s Future Solar projects as described in the testimony of David Sweat, if any, will be retained for, and flowed through to, retail customers through the ECRC during the Term.

(e) All dollar values, asset determinations, rate impact values and revenue requirements in this 2021 Agreement are intended by the Parties to be retail jurisdictional in amount or formulation basis, unless otherwise specified.

(f) The Parties agree that, among other things, the company’s pre-filed testimony and MFRs in this case establish that its Big Bend Modernization, Future Solar, and AMI projects as reflected therein are reasonable, prudent and in the public interest. The Parties further agree that the early retirement and associated approval of cost recovery schedules for the (1) net book value as of December 31, 2021 of the company’s investment in AMR meters and Big Bend Retirement Assets and the (2) projected dismantlement reserve deficiency as of December 31, 2021 for the Big Bend Retirement assets via the CETM specified in this 2021 Agreement are reasonable, prudent and in the public interest. This subparagraph 13(f) shall survive the end of the Term or termination of the 2021 Agreement pursuant to Paragraph 10.

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 48

ATTACHMENT A

(g) Tampa Electric confirms and represents that all Storm Protection Plan-eligible costs have been removed from base rates and agrees to provide prompt notice and corrective action should the company discover otherwise. This subparagraph 13(g) shall survive the end of the Term or termination of the 2021 Agreement pursuant to Paragraph 10.

(h) Beginning January 1, 2022, Tampa Electric may increase the (a) number of residential customers served under its Neighborhood Weatherization program from 6,500 to 7,500 and (b) the number of energy efficiency kits provided to customers under its Energy and Renewable Education, Awareness and Agency Outreach programs by 1,000 to 1,750 and recover the associated costs through the ECCR. This subparagraph 13(h) shall survive the end of the Term or termination of the 2021 Agreement pursuant to Paragraph 10.

14. New Tariffs. Nothing in this 2021 Agreement shall preclude Tampa Electric from filing and the Commission from approving any new or revised tariff provisions or rate schedules required by law or FPSC rule changes. Likewise, nothing in this 2021 Agreement shall preclude Tampa Electric from filing and the Commission from approving any new or revised tariff provisions or rate schedules as requested by Tampa Electric, provided that any such tariff request does not (i) recover any of the same costs previously collected under base rates or another tariff provision and (ii) increase any existing base rate component of a tariff or rate schedule, or any other charge imposed on customers during the Term unless the application of such new or revised tariff, rate schedule, or charge is optional to Tampa Electric's customers. The Parties acknowledge that changing the time periods for time-of-use rates constitutes a change to a voluntary rate and that the company doing so during the Term does not violate this Paragraph 14 or the general prohibition against rate design changes in this 2021 Agreement. This Paragraph 14 shall expire at the end of the Term or upon termination of the 2021 Agreement pursuant to Paragraph 10.

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 49

ATTACHMENT A

15. Application of 2021 Agreement. No Party to this 2021 Agreement will request, support, or seek to impose a change to any term or provision of this 2021 Agreement. Except as provided in Paragraph 10, no Party to this 2021 Agreement will either seek or support any reduction in Tampa Electric's base rate charges, or credits, including limited, limited-scope, interim, or any other rate decreases, or changes to rate design methodologies, that would take effect prior to the first billing cycle for January 2025, except for any changes in base rates or charges (but not credits) requested by Tampa Electric or as otherwise provided for in this 2021 Agreement. Tampa Electric shall not seek interim, limited, or general base rate relief during the Term except as provided for in Paragraphs 2, 3, 4, 10, or 11 of this 2021 Agreement. Tampa Electric is not precluded from seeking interim, limited, or general base rate relief that would be effective during or after the first billing cycle in January 2025, nor are the Consumer Parties precluded from opposing such relief, or from seeking to lower or change Tampa Electric rates (consistent with preserving the CETM) effective as of the first billing cycle in January 2025. Such interim relief may be based on time periods before January 1, 2025, consistent with Section 366.071, Florida Statutes, and calculated without regard to the provisions of this 2021 Agreement, except as provided in subparagraph 6(c), above. Tampa Electric will not seek to adjust either the standby generator credit or the CCV credit either during the Term, except by a unanimous written agreement of the Parties approved by a Final Order of the Commission or a Final Order of the Commission issued as a result of the next subsequent general base rate proceeding.

16. Commission Approval.

(a) The provisions of this 2021 Agreement are contingent on approval of this 2021 Agreement in its entirety by the Commission without modification. The Parties further agree, and will support the company in asking that the Commission find, that (a) this 2021 Agreement is in



ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 50

ATTACHMENT A

the public interest and (b) results in base rates and charges that are fair, just, and reasonable during the Term. The Parties further agree that they will support this 2021 Agreement, and that they will not request or support any order, relief, outcome, or result in conflict with the terms of this 2021 Agreement in any administrative or judicial proceeding relating to, reviewing, or challenging the establishment, approval, adoption, or implementation of this 2021 Agreement or the subject matter hereof.

(b) No Party will assert in any proceeding before the Commission or before any court that this 2021 Agreement or any of the terms in the 2021 Agreement shall have any precedential value. The Parties' agreement to the terms in the 2021 Agreement shall be without prejudice to any Party's ability to advocate a different position in future proceedings not involving this 2021 Agreement. The Parties further expressly agree that no individual provision, by itself, necessarily represents a position of any Party in any future proceeding, and the Parties further agree that no Party shall assert or represent in any future proceeding in any forum that another Party endorses any specific provision of this 2021 Agreement by virtue of that Party's signature on, or participation in, this 2021 Agreement. It is the intent of the Parties to this 2021 Agreement that the Commission's approval of all the terms and provisions of this 2021 Agreement is an express recognition that no individual term or provision, by itself, necessarily represents a position, in isolation, of any Party or that a Party to this 2021 Agreement endorses a specific provision, in isolation, of this 2021 Agreement by virtue of that Party's signature on, or participation in, this 2021 Agreement.

(c) The Parties intend and agree to request that the Commission's final order approving this 2021 Agreement find that approval of this 2021 Agreement in its entirety resolves all matters in Docket Nos. 20200264-EI and 20210034-EI pursuant to and in accordance with Section

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 51

ATTACHMENT A

120.57(4), Florida Statutes, and that Dockets will be closed effective on the date the Commission's order approving this 2021 Agreement becomes final.

(d) No Party shall seek appellate review of any Commission order approving this 2021 Agreement.

(e) This Paragraph 16 shall survive the end of the Term or termination of the 2021 Agreement pursuant to Paragraph 10.

17. Disputes. To the extent a dispute arises among the Parties about the provisions, interpretation, or application of this 2021 Agreement, the Parties agree to meet and confer in an effort to resolve the dispute. To the extent that the Parties cannot resolve any dispute within 30 days, the matter may be submitted to the Commission for resolution. This Paragraph 17 shall survive the end of the Term or termination of the 2021 Agreement pursuant to Paragraph 10.

18. Execution. This 2021 Agreement is dated as of July 30, 2021. It may be executed in counterpart originals and a facsimile or electronic scan of an original signature shall be deemed an original.

IN WITNESS WHEREOF, the Parties evidence their acceptance and agreement with the provisions of this 2021 Agreement by their signature(s):

[remainder of page intentionally left blank]

TAMPA ELECTRIC COMPANY  
DOCKET NO. 20240026-EI  
EXHIBIT NO. JC-1  
WITNESS: CHRONISTER  
DOCUMENT NO. 2  
PAGE 52 OF 139  
FILED: 04/02/2024

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 52

ATTACHMENT A

Signature Page to 2021 Agreement

Tampa Electric Company  
702 N. Franklin Street  
Tampa, FL 33601

By:   
Archibald D. Collins, President and Chief Executive Officer

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 53

ATTACHMENT A

Signature Page to 2021 Agreement

**Office of Public Counsel**

Richard Gentry, Public Counsel  
Charles Rehwinkel, Deputy Public Counsel  
c/o The Florida Legislature  
111 West Madison Street, Room 812  
Tallahassee, FL 32399-1400

By:   
Richard Gentry

TAMPA ELECTRIC COMPANY  
DOCKET NO. 20240026-EI  
EXHIBIT NO. JC-1  
WITNESS: CHRONISTER  
DOCUMENT NO. 2  
PAGE 54 OF 139  
FILED: 04/02/2024

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 54

ATTACHMENT A

Signature Page to 2021 Agreement

**The Florida Industrial Power Users Group**

Jon C. Moyle, Jr., Esquire  
Moyle Law Firm  
The Perkins House  
118 North Gadsden Street  
Tallahassee, FL 32301

By:  August 6, 2021  
Jon C. Moyle, Jr.


ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 55

ATTACHMENT A

Signature Page to 2021 Agreement

**WCF Hospital Utility Alliance**

Mark F. Sundback  
William M. Rappolt  
Andrew P. Mina  
Sheppard Mullin Richter & Hampton LLP  
2099 Pennsylvania Ave., N.W., Suite 100  
Washington, D.C. 20006-6801  
[msundback@sheppardmullin.com](mailto:msundback@sheppardmullin.com)  
[wrappolt@sheppardmullin.com](mailto:wrappolt@sheppardmullin.com)  
[amina@sheppardmullin.com](mailto:amina@sheppardmullin.com)

By:   
Mark Sundback

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 56

ATTACHMENT A

Signature Page to 2021 Agreement

**Federal Executive Agencies**

Thomas A. Jernigan  
Holly L. Buchanan, Maj, USAF  
Scott L. Kirk, Maj, USAF  
139 Barnes Drive, Suite 1  
Tyndall Air Force Base, Florida 32403  
[thomas.jernigan.3@us.af.mil](mailto:thomas.jernigan.3@us.af.mil)  
[holly.buchanan.1@us.af.mil](mailto:holly.buchanan.1@us.af.mil)  
[scott.kirk.2@us.af.mil](mailto:scott.kirk.2@us.af.mil)

By: Holly Buchanan  
Holly Buchanan, Maj, USAF

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 57

ATTACHMENT A

Signature Page to 2021 Agreement

**Florida Retail Federation**  
Robert Scheffel Wright  
Gardner, Bist, Bowden, Bush, Dec, LaVia & Wright, P.A.  
1300 Thomaswood Drive  
Tallahassee, FL 32308

By:   
Robert Scheffel Wright



ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 58

ATTACHMENT A

Signature Page to 2021 Agreement

**Walmart Inc.**

Stephanie U. Eaton  
Spilman Thomas & Battle, PLLC  
110 Oakwood Drive, Suite 500  
Winston-Salem, NC 27103  
[seaton@spilmanlaw.com](mailto:seaton@spilmanlaw.com)

Barry A. Naum  
Spilman Thomas & Battle, PLLC  
1100 Bent Creek Boulevard, Suite 101  
Mechanicsburg, PA 17050  
[bnaum@spilmanlaw.com](mailto:bnaum@spilmanlaw.com)

By: 

TAMPA ELECTRIC COMPANY  
DOCKET NO. 20240026-EI  
EXHIBIT NO. JC-1  
WITNESS: CHRONISTER  
DOCUMENT NO. 2  
PAGE 59 OF 139  
FILED: 04/02/2024

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 59

ATTACHMENT A

EXHIBIT A TO 2021 AGREEMENT  
PAGE 1 OF 3  
FILED: AUGUST 06, 2021

EXHIBIT "A"

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 60

ATTACHMENT A

EXHIBIT A TO 2021 AGREEMENT  
PAGE 2 OF 3  
FILED: AUGUST 06, 2021

**Tampa Electric**  
**Exhibit A**  
**Summary of 2021 Agreement Changes**

	<b>Base Rates</b>
	<b>Starting In</b>
	<b>2022</b>
<b>As Filed</b>	<u>295.000</u>
Move recovery of retiring assets into CETM	(80.100)
<b>As Filed with CETM with 10-year period and traditional method for ROR x RB</b>	<u>214.900</u>
<b>As Filed with CETM with 15-year period and levelized method for ROR x RB</b>	<u>214.900</u>
Remove GBRA assets ROR x RB in 2022	(7.101)
Remove GBRA assets operating expenses in 2022	(1.600)
Incentive compensation adjustment	(5.000)
Restate Amortization of Solar ITC Credits Based on Change from 30 to 35 Year Life	2.000
Use 54.00% equity ratio for all regulatory purposes	(3.128)
	<u>(14.829)</u>
<b>Subtotal</b>	<u>200.071</u>
Additional reduction to O&M expense	(11.500)
Reduction to Depreciation Expense	(28.700)
Reduction to Depreciation Reserve	1.207
Reduction to ROE from 10.75% to 9.95%	(38.400)
	<u>(77.393)</u>
<b>2022 Base Rate Revenue Requirement</b>	<u>122.678</u>
	<b>CETM</b>
	<b>Starting In</b>
	<b>2022</b>
<b>As Filed</b>	-
Move recovery of retiring assets into CETM (including 29.200 from ECRC)	<u>109.300</u>
<b>As Filed with CETM with 10-year period and traditional method for ROR x RB</b>	<u>109.300</u>
Levelized Recovery Using 15-year period, 54.0% Financial Equity Ratio, and ROE of 9.95%	<u>(40.750)</u>
Includes Cumulative Additions of Dismantlement Deficiency Using Company Expectations	
<b>As Filed with CETM with 15-year period and levelized method for ROR x RB</b>	<u>68.550</u>
<b>2022 CETM Revenue Requirement</b>	<u>68.550</u>

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 61

ATTACHMENT A

EXHIBIT A TO 2021 AGREEMENT  
PAGE 3 OF 3  
FILED: AUGUST 06, 2021

	<b>GBRA Starting In <u>2023</u> 102.200</b>
<b>As Filed</b>	
Remove state and federal income tax from tax multiplier for debt cost recovery	(4.200)
Use in-service amount of assets rather than 13-month average NBV	1.100
Reduction to depreciation expense	(1.000)
Reduction to Income Tax Expense for Amortization of ITC Credits (35 Years)	(2.300)
Reduction of Big Bend Payroll O&M Expense Included in Base Rates through 2022 (Based on Planned Reduction of 33 Employees x \$52.35K Avg - OPC INT 62 and 63)	(1.700)
Use 54.00% equity ratio for all regulatory purposes	(0.400)
	<u>(8.500)</u>
<b>Subtotal</b>	<b><u>93.700</u></b>
Reduction to ROE from 10.75% to 9.95%	<u>(3.945)</u>
<b>2023 GBRA Revenue Requirement</b>	<b><u>89.755</u></b>
	<b>GBRA Starting In <u>2024</u> 25.600</b>
<b>As Filed</b>	
Remove state and federal income tax from tax multiplier for debt cost recovery	(1.000)
Use in-service amount of assets rather than 13-month average NBV	0.300
Reduction to depreciation expense	(0.800)
Reduction to Income Tax Expense for Amortization of ITC Credits (35 Years)	(1.700)
Use 54.00% equity ratio for all regulatory purposes	(0.100)
	<u>(3.300)</u>
<b>Subtotal</b>	<b><u>22.300</u></b>
Reduction to ROE from 10.75% to 9.95%	<u>(0.923)</u>
<b>2024 GBRA Revenue Requirement</b>	<b><u>21.377</u></b>

TAMPA ELECTRIC COMPANY  
DOCKET NO. 20240026-EI  
EXHIBIT NO. JC-1  
WITNESS: CHRONISTER  
DOCUMENT NO. 2  
PAGE 62 OF 139  
FILED: 04/02/2024

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 62

ATTACHMENT A

EXHIBIT B TO 2021 AGREEMENT  
PAGE 1 OF 4  
FILED: AUGUST 06, 2021

EXHIBIT "B"

TAMPA ELECTRIC COMPANY  
DOCKET NO. 20240026-EI  
EXHIBIT NO. JC-1  
WITNESS: CHRONISTER  
DOCUMENT NO. 2  
PAGE 63 OF 139  
FILED: 04/02/2024

ATTACHMENT A

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 63

EXHIBIT B TO 2021 AGREEMENT  
PAGE 2 OF 4  
FILED: AUGUST 06, 2021

SCHEDULE D-3a COST OF CAPITAL - 12-MONTH AVERAGE Page 1 of 3  
FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION: Provide the company's 12-month average cost of capital for the test year, the prior year, and historical base year. Type of data shown: \*\* Projected Test Year Ended 12/31/2022  
COMPANY: TAMPA ELECTRIC COMPANY Historical Prior Year Ended 12/31/2021  
Historical Prior Year Ended 12/31/2020  
Witness: I. S. Chronister/A. S. Lewis  
L. J. Vugt

DOCKET No. 20210034-EI (Dollars in 000's)

Line No.	Class of Capital	(1) Company Total Per Books	(2) Common Dividends/ Other	(3) DIT Specific/ STD	(4) DIT Specific/ Prorata	(5) Purchased Power Off-Balance Sheet Obligator	(6) Pro Rata Adjustments	(7) System Adjusted	(8) Jurisdictional Factor	(9) Jurisdictional Capital Structure	(10) Ratio	(11) Cost Rate	(12) Weighted Cost Rate
1													
2	Long Term Debt	\$ 3,249,800	\$ -	\$ 0	\$ 5,327	\$ -	\$ (565,600)	\$ 2,689,527	0.992038	\$ 2,668,112	95.46%	4.17%	1.48%
3													
4	Short Term Debt	275,621	0	(3,778)	492	0	(46,014)	\$ 228,281	0.992039	226,464	3.01%	1.01%	0.03%
5													
6	Customer Deposits	104,492	0	0	174	0	(18,010)	\$ 86,656	0.992038	85,966	1.14%	2.44%	0.03%
7													
8	Preferred Stock	0	0	0	0	0	-	\$ -	-	-	0.00%	-	0.00%
9													
10	Common Equity	4,149,239	0	0	6,998	0	(731,729)	\$ 3,418,449	0.992038	3,391,230	45.07%	9.95%	4.48%
11													
12	Deferred Income Taxes	1,119,569	0	(1,836)	(12,892)	0	(189,072)	\$ 926,770	0.992038	902,526	11.99%	-	0.00%
13													
14	Tax Credits - Zero Cost	0	0	0	0	0	-	\$ -	-	-	0.00%	-	0.00%
15													
16	Tax Credits - Weighted Cost	304,366	0	(1)	0	0	(52,371)	\$ 251,994	0.992038	249,988	3.32%	7.18%	0.24%
17													
18		\$ 9,199,081	\$ -	\$ (5,615)	\$ -	\$ -	\$ (1,604,730)	\$ 7,594,627		\$ 7,524,286	100.00%		6.28%

TAMPA ELECTRIC COMPANY  
DOCKET NO. 20240026-EI  
EXHIBIT NO. JC-1  
WITNESS: CHRONISTER  
DOCUMENT NO. 2  
PAGE 64 OF 139  
FILED: 04/02/2024

ATTACHMENT A

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 64

EXHIBIT B TO 2021 AGREEMENT  
PAGE 3 OF 4  
FILED: AUGUST 06, 2021

SCHEDULE D-1b		COST OF CAPITAL - ADJUSTMENTS			Page 1 of 2
FLORIDA PUBLIC SERVICE COMMISSION	EXPLANATION:	1.) List and describe the basis for the specific adjustments appearing on Schedule D-1a.			Type of data shown:
COMPANY: TAMPA ELECTRIC COMPANY		2.) List and describe the basis for the pro-rata adjustments appearing on Schedule D-1a.			XX Projected Test Year Ended 12/31/2022 XX Projected Prior Year Ended 12/31/2021 XX Historical Prior Year Ended 12/31/2020
DOCKET No. 20210034-EI		(Dollars in 000's)			Witness: J. S. Chronister/ A. S. Lewis
Line No.	Class of Capital	Description	Historic Base Year 2020	Prior Year 2021	Test Year 2022
1		Specific Adjustments			
2					
3	Long Term Debt	Taxes Receivable	\$ -	\$ -	\$ -
4		Other Return Provided	(7)	(0)	0
5		IRS Prorata Requirement ADIT	-	-	5,327
6			(7)	(0)	5,327
7	Short Term Debt				
8		Deferred Clause Underrecovery	(1,387)	14,167	(3,778)
9		Other Return Provided	(1)	-	-
10		IRS Prorata Requirement ADIT	-	-	452
11			(1,388)	(14,167)	(3,326)
12	Customer Deposits				
13		IRS Prorata Requirement ADIT	-	-	174
14			-	-	174
15					
16	Common Equity	Dividend Declared - Common Stock	-	-	-
17		Other Return Provided	(10)	(0)	0
18		IRS Prorata Requirement ADIT	-	-	6,938
19			(10)	(0)	6,938
20	Deferred Income Taxes				
21		Non - Utility Deferred Tax	(7)	(17)	(17)
22		Other Return Provided	-	-	(536)
23		Deferred Clause Underrecovery	(454)	(4,603)	(1,283)
24		IRS Prorata Requirement ADIT	-	-	(12,892)
25			(461)	(4,620)	(14,727)
26					
27	Investment Tax Credits	Non-Utility Investment Tax Credits	(1)	(1)	(1)
28					
29		Total Specific Adjustments	\$ (1,877)	\$ (18,788)	\$ (5,615)
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					

Supporting Schedules:

Recap Schedules:

58

118

SCHEDULED-1b		COST OF CAPITAL - ADJUSTMENTS			Page 2 of 2
FLORIDA PUBLIC SERVICE COMMISSION		EXPLANATION:	1.) List and describe the basis for the specific adjustments appearing on Schedule D-1a.		
COMPANY: TAMPA ELECTRIC COMPANY		EXPLANATION:	2.) List and describe the basis for the pro-rata adjustments appearing on Schedule D-1a.		
DOCKET No. 20210034-EI		(Dollars in 000's)			Type of data shown: XX Projected Test Year Ended 12/31/2022 XX Projected Prior Year Ended 12/31/2021 XX Historical Prior Year Ended 12/31/2020 Witness: J. S. Chronister/ A. S. Lewis
Line No.	Class of Capital	Description	Historic Base Year 2020	Prior Year 2021	Test Year 2022
1					
2		Pro Rata Adjustments			
3					
4					
5		Other Return Provided	\$ (18,184)	\$ (1,805)	\$ (2,579)
6		Non-Utility - Accrued Taxes / Deferred Credits	149	(552)	(927)
7		Non-Utility Plant	(8,780)	(8,992)	(7,293)
8		ECRC	(309,495)	(290,561)	(140,861)
9		SPPCRC	(196)	(74,410)	(214,457)
10		Construction Work In Process	(838,947)	(1,014,543)	(847,379)
11		Fuel Inventory	(15,529)	(4,904)	-
12		Job Order Receivables	-	-	-
13		Fuel Pk Conversion	(360)	-	-
14		Acquisition Adjustment	(1,667)	(1,430)	(1,193)
15		Accounts Receivable-Assoc Companies Unregulated	-	-	-
16		Leases	978	1,001	880
17		Taxes Receivable	-	-	-
18		Deferred Tax / ITC Non Utility	8	18	18
19		Wholesale Separation	-	(0)	(0)
20		Fuel / ECCR	(1,707)	(4,512)	(6,262)
21		Clean Energy Transition Mechanism (CETM)	0	0	(500,570)
22		GBRA	0	0	(84,448)
23		SPPCRC Depreciation Study Rate Reduction	0	0	174
24		Rounding	(0)	(0)	(0)
25		Total Pro Rata Adjustments	<u>(991,891)</u>	<u>(1,398,889)</u>	<u>(1,804,799)</u>
26					
27					
28					
29		Total Cost of Capital Adjustments	<u>\$ (993,568)</u>	<u>\$ (1,417,478)</u>	<u>\$ (1,810,404)</u>
30					
31					
32					
33					
34					
35					
36					
37					
38					
39					



TAMPA ELECTRIC COMPANY  
DOCKET NO. 20240026-EI  
EXHIBIT NO. JC-1  
WITNESS: CHRONISTER  
DOCUMENT NO. 2  
PAGE 66 OF 139  
FILED: 04/02/2024

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 66

ATTACHMENT A

EXHIBIT C TO 2021 AGREEMENT  
PAGE 1 OF 2  
FILED: AUGUST 06, 2021

EXHIBIT "C"

60

120

ATTACHMENT A

ORDER NO. PSC-2021-0423-S-EI  
 DOCKET NOS. 20210034-EI, 20200264-EI  
 PAGE 67

EXHIBIT C TO 2021 AGREEMENT  
 PAGE 2 OF 2  
 FILED: AUGUST 06, 2021

SCHEDULE A-1		FULL REVENUE REQUIREMENTS INCREASE REQUESTED		Page 1 of 1
FLORIDA PUBLIC SERVICE COMMISSION		EXPLANATION: Provide the calculation of the requested full revenue requirements increase		Type of data shown:
COMPANY: TAMPA ELECTRIC COMPANY				XX Projected Test Year Ended 12/31/2022 Projected Prior Year Ended 12/31/2021 Historical Prior Year Ended 12/31/2020 Witness: J. S. Chronister/ A. S. Lewis
DOCKET No. 20210034-EI		(Dollars in 000's)		
Line No.	(1) Description	(2) Source	(3) Amount (000)	
1				
2				
3	Jurisdictional Adjusted Rate Base	Schedule B-1	\$ 7,524,286	
4				
5	Rate of Return on Rate Base Requested	Schedule D-1a	<u>6.28%</u>	
6				
7	Jurisdictional Net Operating Income Requested	Line 3 x Line 5	471,020	
8				
9	Jurisdictional Adjusted Net Operating Income	Schedule C-1	<u>379,684</u>	
10				
11	Net Operating Income Deficiency (Excess)	Line 7 - Line 9	91,336	
12				
13	Earned Rate of Return	Line 9/Line 3	<u>5.05%</u>	
14				
15	Net Operating Income Multiplier	Schedule C-44	<u>1.34315</u>	
16				
17	Revenue Increase (Decrease) Requested	Line 11 x Line 15	<u>\$ 122,678</u>	
18				
19				
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39				

Supporting Schedules: B-1,C-1,C-44,D-1a

Recap Schedules

TAMPA ELECTRIC COMPANY  
DOCKET NO. 20240026-EI  
EXHIBIT NO. JC-1  
WITNESS: CHRONISTER  
DOCUMENT NO. 2  
PAGE 68 OF 139  
FILED: 04/02/2024

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 68

ATTACHMENT A

EXHIBIT D TO 2021 AGREEMENT  
PAGE 1 OF 4  
FILED: AUGUST 06, 2021

EXHIBIT "D"

62

122

TAMPA ELECTRIC COMPANY  
 DOCKET NO. 20240026-EI  
 EXHIBIT NO. JC-1  
 WITNESS: CHRONISTER  
 DOCUMENT NO. 2  
 PAGE 69 OF 139  
 FILED: 04/02/2024

ATTACHMENT A

ORDER NO. PSC-2021-0423-S-EI  
 DOCKET NOS. 20210034-EI, 20200264-EI  
 PAGE 69

EXHIBIT D TO 2021 AGREEMENT  
 PAGE 2 OF 4  
 FILED: AUGUST 06, 2021

SCHEDULE B-1 ADJUSTED RATE BASE Page 1 of 3										
FLORIDA PUBLIC SERVICE COMMISSION EXPLANATION: Provide a schedule of the 13-month average adjusted rate base for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule B-2.										
COMPANY: TAMPA ELECTRIC COMPANY										
DOCKET No. 20210034-EI (Dollars in 000's)										
Type of data shown: XX Projected Test Year Ended 12/31/2022 Projected Prior Year Ended 12/31/2021 Historical Prior Year Ended 12/31/2020 Witness: J. S. Chronister/A. S. Lewis/L. J. Vogt										
Line No.	(1) Plant in Service	(2) Accumulated Provision for Depreciation and Amortization	(3) Net Plant in Service (1 - 2)	(4) CWIP	(5) Plant Held For Future Use	(6) Nuclear Fuel - No AFUDC (Net)	(7) Net Utility Plant	(8) Working Capital Allowance	(9) Other Rate Base Items	(10) Total Rate Base
1										
2	\$ 10,360,066	\$ 3,192,895	\$ 7,167,171	\$ 858,215	\$ 61,426	\$ -	\$ 8,676,810	\$ 510,049	\$ -	\$ 9,186,861
3										
4	0.992565	0.999320	0.992915	0.997545	0.972746	-	0.992656	0.998911	-	0.992662
5										
6	\$ 10,868,654	\$ 3,171,568	\$ 7,697,086	\$ 855,937	\$ 59,752	\$ -	\$ 8,613,069	\$ 509,494	\$ -	\$ 9,122,562
7										
8	(536,734)	(8,976)	(527,758)	(645,660)	-	-	(1,173,417)	13,443	-	(1,159,974)
9										
10	(84,449)	(145,006)	61,557	-	-	-	61,557	(499,879)	-	(438,322)
11										
12	(621,189)	(154,962)	(466,201)	(645,660)	-	-	(1,111,861)	(496,435)	-	(1,598,296)
13										
14	\$ 10,247,471	\$ 3,016,567	\$ 7,231,359	\$ 210,277	\$ 59,752	\$ -	\$ 7,501,228	\$ 23,058	\$ -	\$ 7,524,286
15										
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38										
39	Totals may be affected due to rounding.									

SCHEDULE B-2		RATE BASE ADJUSTMENTS		Page 1 of 4	
FLORIDA PUBLIC SERVICE COMMISSION		EXPLANATION: List and explain all proposed adjustments to the 12-month average rate base for the test year, the prior year and the most recent historical year. List the adjustments included in the last case that are not proposed in the current case and the reasons for excluding them.		Type of data shown: X) Projected Test Year Ended 12/31/2022 Projected Prior Year Ended 12/31/2021 Historical Prior Year Ended 12/31/2020 Witness: J. S. Chronister/A. S. Lewis/L. J. Vogt	
COMPANY: TAMPA ELECTRIC COMPANY					
DOCKET No. 20210034-EI		(Dollars in 000's)			
		(1)	(2)	(3)	
Line No.	Adjustment Title	Reason for Adjustment or Omission (provide supporting schedule)	Adjustment Amount	Jurisdictional Factor	Jurisdictional Amount of Adjustment (1) x (2)
1	Commission Adjustments				
2	Deferred Fuel, Capacity and Conservation	To remove conservation assets and deferred revenues and expenses which will be recovered through adjustment clauses	\$ (7,308)	1.000000	(7,308)
3	Fuel Plant in Service	To remove from plant in service the investment being recovered through the Fuel Cost Recovery Clause	(37,054)	1.000000	(37,054)
4	Fuel Accumulated Depreciation	To remove the accumulated depreciation related to the fuel investment being recovered through the Fuel Cost Recovery Clause	37,054	1.000000	37,054
5	Other Rates Provided	To remove from working capital the effect of items which are returns to provided elsewhere	(1,000)	0.998911	(999)
6	Dividends Declared	To remove from working capital the effect of items which are part of capital structure for rate making purposes	-	0.998911	-
7	Unamortized Rate Case Expense	To remove unamortized rate case expense from working capital	(2,115)	1.000000	(2,115)
8	ECCR Plant in Service	To remove from plant in service the investment in conservation compliance capital expenditures which are being recovered through the ECCR	(4,500)	1.000000	(4,500)
9	ECCR Accumulated Depreciation	To remove the accumulated depreciation related to the conservation compliance capital projects being recovered through the ECCR	973	1.000000	973
10	ECCR Plant in Service	To remove from plant in service the investment in environmental compliance capital expenditures which are being recovered through the ECCR	(249,450)	1.000000	(249,450)
11	ECCR Accumulated Depreciation	To remove the accumulated depreciation related to the environmental compliance capital projects being recovered through the ECCR	(37,590)	1.000000	(37,590)
12	Deferred ECCR	To remove deferred revenues and expenses which are being recovered through the ECCR	-	-	-
13	SPPCRC Plant in Service	To remove from plant in service the investment in storm protection plans compliance capital expenditures which are being recovered through the SPPCRC	(217,141)	0.992555	(215,527)
14	SPPCRC Accumulated Depreciation	To remove the accumulated depreciation related to the storm protection plans compliance capital projects being recovered through the SPPCRC	2,684	0.993320	2,666
15	Deferred SPPCRC	To remove deferred revenues and expenses which are being recovered through the SPPCRC	(488)	0.998911	(487)
16	Construction Work in Progress	To remove CWP eligible for AFUDC per Commission guidelines	(647,379)	0.997345	(645,660)
17	Fuel Inventory	To remove fuel inventory per Commission Order	-	1.000000	-
18	OUC, FRBL, & Union Transmission Line	To remove plant in service and acquisition adjustment for the OUC & Union transmission line previously disallowed by the Commission	(7,495)	0.933429	(6,997)
19	OUC, FRBL, & Union Transmission Line	To remove accumulated amortization associated with the OUC & Union transmission line previously disallowed by the Commission	6,292	0.933429	5,873
20	Lease Right-of-Use Asset	To remove right-of-use assets for lease obligations from plant in service	(23,389)	0.992555	(23,216)
21	Lease	To remove the lease liability from working capital	24,379	0.998911	24,352
22	Total Commission Adjustments		\$ (1,153,618)		(1,159,974)
23					
24					
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39	Totals may be affected due to rounding.				

Supporting Schedules:

Recap Schedules: B-1

TAMPA ELECTRIC COMPANY  
 DOCKET NO. 20240026-EI  
 EXHIBIT NO. JC-1  
 WITNESS: CHRONISTER  
 DOCUMENT NO. 2  
 PAGE 71 OF 139  
 FILED: 04/02/2024

ATTACHMENT A

ORDER NO. PSC-2021-0423-S-EI  
 DOCKET NOS. 20210034-EI, 20200264-EI  
 PAGE 71

EXHIBIT D TO 2021 AGREEMENT  
 PAGE 4 OF 4  
 FILED: AUGUST 06, 2021

SCHEDULE B-2		RATE BASE ADJUSTMENTS		Page 2 of 4	
FLORIDA PUBLIC SERVICE COMMISSION		EXPLANATION: List and explain all proposed adjustments to the 13-month average rate base for the test year, the prior year and the most recent historical year. List the adjustments included in the last case that are not proposed in the current case and the reasons for excluding them.		Type of data shown: <input checked="" type="checkbox"/> Projected Test Year Ended 12/31/2022 <input type="checkbox"/> Projected Prior Year Ended 12/31/2021 <input type="checkbox"/> Historical Prior Year Ended 12/31/2020 Witness: J. S. Chronister/A. S. Lewis/L. J. Vogt	
COMPANY: TAMPA ELECTRIC COMPANY				(1)	(2)
DOCKET No. 20210034-EI		(Dollars in 000's)			
Line No.	Adjustment Title	Reason for Adjustment or Omission (provide supporting schedule)	Adjustment Amount	Jurisdictional Factor	Jurisdictional Amount of Adjustment (1) x (2)
1	Company Adjustments				
2	GBR Adjustment	To remove from plant in service related to BB Modernization and Wave 2 Solar	(84,448)	1.000000	(84,448)
3	ECRC Accumulated Depreciation	To remove the accumulated depreciation related to ECRC Clean Energy Transition Mechanism	146,179	1.000000	146,179
4	SPPCRC Accumulated Depreciation	To remove the accumulated depreciation related to SPPCRC Depreciation Study Rate Reduction	(174)	1.000000	(174)
5	Clean Energy Transition Mechanism	To remove regulatory asset from rate base related to Clean Energy Transition Mechanism	(600,423)	0.998911	(499,879)
6					
7	Total Company Adjustments		<u>\$ (438,867)</u>		<u>\$ (438,322)</u>
8					
9					
10					
11					
12					
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38					
39	Totals may be affected due to rounding.				
Supporting Schedules:			Recap Schedules: B-1		

TAMPA ELECTRIC COMPANY  
DOCKET NO. 20240026-EI  
EXHIBIT NO. JC-1  
WITNESS: CHRONISTER  
DOCUMENT NO. 2  
PAGE 72 OF 139  
FILED: 04/02/2024

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 72

ATTACHMENT A

EXHIBIT E TO 2021 AGREEMENT  
PAGE 1 OF 4  
FILED: AUGUST 06, 2021

EXHIBIT "E"

SCHEDULE C-1			ADJUSTED JURISDICTIONAL NET OPERATING INCOME						Page 1 of 3	
FLORIDA PUBLIC SERVICE COMMISSION			EXPLANATION Provide the calculation of jurisdictional net operating income for the test year, the prior year, and the most recent historical year.						Type of data shown: XX Projected Test Year Ended 12/31/2022 Projected Prior Year Ended 12/31/2021 Historical Prior Year Ended 12/31/2020 Witness: J. S. Chronister/ A. S. Lewis/ L. J. Vogt	
COMPANY: TAMPA ELECTRIC COMPANY			(Dollars in 000's)							
DOCKET No. 20210034-EI			(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Line No.	Account Number	Account Name	Total Company Per Basis	Non-Electric Utility	Total Electric (1)-(2)	Jurisdictional Factor	Jurisdictional Amount (3)*(4)	Commission Jurisdictional Adjustments (Schedule C-2)	Company Jurisdictional Adjustments (Schedule C-2)	Adjusted Jurisdictional Amount (5)+(8)
1										
2										
3		Revenue From Sales	\$1,950,545	\$ -	\$1,950,545	1.000000	\$1,950,545	\$ (781,257)	\$ -	\$ 1,169,288
4										
5		Other Operating	30,075	-	30,075	0.745908	22,433	10,440	-	32,873
6										
7		Total Operating Revenues	1,980,620	-	1,980,620		1,972,979	(770,818)	-	1,202,161
8										
9		Other O&M	453,927	-	453,927	0.999909	452,389	(116,579)	-	335,809
10										
11		Fuel	545,411	-	545,411	1.000000	545,411	(544,481)	-	930
12										
13		Purchased Power	4,436	-	4,436	1.000000	4,436	(4,436)	-	0
14										
15		Deferred Costs	(13,488)	-	(13,488)	1.000000	(13,488)	13,488	-	(0)
16										
17		Depreciation & Amortization	396,192	-	396,192	0.994552	394,033	(18,034)	-	376,000
18										
19		Taxes Other Than Income Taxes	184,592	-	184,592	0.999522	183,969	(87,147)	-	86,821
20										
21		Income Taxes	35,770	225	35,545	0.990304	33,779	(10,963)	-	22,916
22										
23		(Gain)/Loss on Disposal of Plant	-	-	-	-	-	-	-	-
24		Total Operating Expenses	1,600,831	225	1,600,607		1,600,519	(776,042)	-	822,477
25										
26		Net Operating Income	\$ 373,789	\$ (225)	\$ 374,014		\$ 372,460	\$ 7,224	\$ -	\$ 379,684
27										
28										
29										
30										
31										
32		(1) Non-Clause Recoverable Fuel - Pursuant to FPSC Order No. 14546, issued July 8, 1995 in Docket 19850001-EI, certain "types of fossil-fuel related costs are more appropriately considered in the computation of base rates," these include transportation between storage facilities or generating plants, O&M expenses at generation plants or storage facilities such as unloading and fuel handling, fuel procurement administrative functions and fuel additives not blended with fuel or injected into the boiler prior to burning.								
33										
34										
35										
36										
37										
38		Totals may be affected due to rounding								
Supporting Schedules: C-2, C-4, C-6			Recap Schedules: A-1							



TAMPA ELECTRIC COMPANY  
DOCKET NO. 20240026-EI  
EXHIBIT NO. JC-1  
WITNESS: CHRONISTER  
DOCUMENT NO. 2  
PAGE 74 OF 139  
FILED: 04/02/2024

ATTACHMENT A

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 74

EXHIBIT E TO 2021 AGREEMENT  
PAGE 3 OF 4  
FILED: AUGUST 06, 2021

SCHEDULE C-2		NET OPERATING INCOME ADJUSTMENTS										Page 1 of 6
FLORIDA PUBLIC SERVICE COMMISSION		EXPLANATION: Provide a schedule of net operating income adjustments for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule C-3.										Type of data shown: XX Projected Test Year Ended 12/31/2022 Projected Prior Year Ended 12/31/2021 Historical Prior Year Ended 12/31/2020 Witness: J. S. Chronister / A. S. Lewis
COMPANY: TAMPA ELECTRIC COMPANY		(Dollars in 000's)										
Line No.	Account Number	Account Name	Jurisdictional Per Books Schedule C-1 Col. 5	Commission Adjustments								
				(1) Conservation Revenues & Expenses	(2) Environmental Revenues & Expenses	(3) Storm Protection Revenues & Expenses	(4) Franchise Fees / Gross Receipts Tax	(5) Fuel Rev & Exp	(6) Industry Assoc. Dues	(7) Solaris and Waterfall	(8) Stockholder Relations Adjustment	(9) GPIF Revenues/ Penalties
1												
2												
3		Revenue From Sales	\$ 1,950,545	\$ (44,471)	\$ (49,409)	\$ (45,564)	\$ (94,189)	\$ (547,624)	\$ -	\$ -	\$ -	\$ -
4												
5		Other Operating	22,433	(690)	(914)	334	-	11,709	-	-	-	-
6												
7		Total Operating Revenues	1,972,979	(45,161)	(50,323)	(45,230)	(94,189)	(535,915)	-	-	-	-
8												
9		Other O&M	452,388	(39,583)	(1,260)	(22,858)	-	(102)	(25)	(4)	(134)	-
10												
11		Fuel	545,411	-	-	-	-	(544,481)	-	-	-	-
12												
13		Purchased Power	4,436	-	-	-	-	(4,436)	-	-	-	-
14												
15		Deferred Costs	(13,498)	-	-	-	-	13,498	-	-	-	-
16												
17		Depreciation & Amortization	394,033	(5,873)	(8,754)	(2,723)	-	-	-	-	-	-
18												
19		Taxes Other Than Income Taxes	163,969	(32)	(36)	(2,412)	(94,154)	(394)	-	-	-	-
20												
21		Income Taxes	33,779	79	(10,205)	(4,369)	(9)	(5)	6	1	34	-
22												
23		(Gain)/Loss on Disposal of Plant	-	-	-	-	-	-	-	-	-	-
24		Total Operating Expenses	1,800,519	(45,409)	(20,255)	(32,362)	(94,163)	(535,920)	(18)	(3)	(100)	-
25												
26		Net Operating Income	\$ 372,460	\$ 249	\$ (30,068)	\$ (12,867)	\$ (26)	\$ 5	\$ 18	\$ 3	\$ 100	\$ -
27												
28												
29												
30												
31												
32												
33												
34												
35												
36												
37												
38												
39	Totals may be affected due to rounding											
Supporting Schedules: C-3			Recap Schedules: C-1									

68

128

SCHEDULE C-2			NET OPERATING INCOME ADJUSTMENTS										Page 2 of 6			
FLORIDA PUBLIC SERVICE COMMISSION			EXPLANATION: Provide a schedule of net operating income adjustments for the test year, the prior year and the most recent historical year. Provide the details of all adjustments on Schedule C-3.										Type of data shown:			
COMPANY: TAMPA ELECTRIC COMPANY													XX Projected Test Year Ended 12/31/2022			
DOCKET No. 20210034-EI			(Dollars in 000's)										Projected Prior Year Ended 12/31/2021			
													Historical Prior Year Ended 12/31/2020			
													Witness: J. S. Chronister / A. S. Lewis			
Line No.	Account Number	Account Name	Commission Adjustments										Jurisdictional Adjusted Per Commission			
			(10) Acq Adj	(11) Income Tax True-Up	(12) Parent Debt Adjustment	(13) Clean Energy Transition Mechanism	(14) O&M Expense Adjustment	(15) GERA Adjustment	(16) Incentive Compensation Adjustment	(17) Adjustment to Agreement	(18) Total Adjustments	(19)				
1																
2																
3		Revenue From Sales	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (781,257)	\$ 1,169,288		
4																
5		Other Operating	-	-	-	-	-	-	-	-	-	-	10,440	32,873		
6																
7		Total Operating Revenues	-	-	-	-	-	-	-	-	-	-	(770,818)	1,202,161		
8																
9		Other O&M	-	-	-	(34,512)	(11,450)	(1,600)	(4,979)	(71)	(116,579)		335,809			
10																
11		Fuel	-	-	-	-	-	-	-	-	-	(544,481)	930			
12																
13		Purchased Power	-	-	-	-	-	-	-	-	-	(4,436)	-			
14																
15		Deferred Costs	-	-	-	-	-	-	-	-	-	-	13,498	(0)		
16																
17		Depreciation & Amortization	(185)	-	-	-	-	-	-	-	(500)	(18,034)	375,999			
18																
19		Taxes Other Than Income Taxes	(119)	-	-	-	-	-	-	-	-	(97,147)	86,822			
20																
21		Income Taxes	77	(100)	(9,707)	8,747	2,902	406	1,262	18	(10,863)	22,916				
22																
23		(Gain)/Loss on Disposal of Plant	-	-	-	-	-	-	-	-	-	-	-	-		
24		Total Operating Expenses	(227)	(100)	(9,707)	(25,765)	(8,548)	(1,194)	(3,717)	(553)	(78,042)	822,476				
25																
26		Net Operating Income	\$ 227	\$ 100	\$ 9,707	\$ 25,765	\$ 8,548	\$ 1,194	\$ 3,717	\$ 553	\$ 7,224	\$ 379,684				
27																
28																
29																
30																
31																
32																
33																
34																
35																
36																
37																
38																
39		Totals may be affected due to rounding														

Supporting Schedules: C-3

Recap Schedules: C-1

TAMPA ELECTRIC COMPANY  
DOCKET NO. 20240026-EI  
EXHIBIT NO. JC-1  
WITNESS: CHRONISTER  
DOCUMENT NO. 2  
PAGE 76 OF 139  
FILED: 04/02/2024

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 76

ATTACHMENT A

EXHIBIT F TO 2021 AGREEMENT  
PAGE 1 OF 2  
FILED: AUGUST 06, 2021

EXHIBIT "F"

70

130

ATTACHMENT A

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 77

EXHIBIT F TO 2021 AGREEMENT  
PAGE 2 OF 2  
FILED: AUGUST 06, 2021

TAMPA ELECTRIC COMPANY  
EXHIBIT F - SOLAR ITC CALCULATIONS

In-Service Year	In-Service Month	Solar Project		ITC Qualified Cost	ITC Rate	ITC Amount	Actual ITC amortization (30 years)
2015	December	TIA Solar Array		5,995,681	30%	1,798,704	59,957
2016	November	Legoland Solar Project		4,572,323	30%	1,371,697	45,723
2017	February	Big Bend Solar Project		37,832,229	30%	11,349,666	378,322
2018	September	Balm Solar	Wave 1 - Tranche 1	90,506,040	30%	27,151,812	905,060
2018	September	Payne Creek Solar	Wave 1 - Tranche 1	88,131,821	30%	26,439,546	881,318
				<b>178,637,861</b>		<b>53,591,358</b>	<b>1,786,379</b>
2019	January	Grange Hall Solar	Wave 1 - Tranche 2	69,763,368	30%	20,929,010	697,634
2019	January	Lithia Solar	Wave 1 - Tranche 2	85,290,025	30%	25,587,007	852,900
2019	February	Bonnie Mine Solar	Wave 1 - Tranche 2	46,022,000	30%	13,806,600	460,220
2019	March	Peace Creek	Wave 1 - Tranche 2	61,150,336	30%	18,345,101	611,503
2019	April	Lake Hancock	Wave 1 - Tranche 2	55,978,369	30%	16,793,511	559,794
				<b>318,204,097</b>		<b>96,461,228</b>	<b>3,182,041</b>
2020	February	Little Manatee River Solar Development	Wave 1 - Tranche 3	95,555,616	30%	28,636,685	954,556
2020	April	Wimauma Solar Development	Wave 1 - Tranche 3	85,414,796	30%	25,624,439	854,148
			<b>Total 2020</b>	<b>180,970,412</b>		<b>54,261,124</b>	<b>1,808,704</b>
2021	January	Durrance Solar Development	Wave 1 - Tranche 4	81,351,789	26%	21,151,465	705,049
2021	November	Big Bend II Solar Development	Wave 2 - Tranche 1	30,909,949	26%	8,036,587	267,886
2021	November	Jamison Solar Development	Wave 2 - Tranche 1	84,327,011	26%	21,925,023	730,834
2021	November	Magnolia Solar Development	Wave 2 - Tranche 1	79,301,803	26%	20,618,469	687,282
2021	November	Mountain View Solar Development	Wave 2 - Tranche 1	60,853,069	26%	15,821,798	527,393
			<b>TOTAL 2021</b>	<b>306,743,622</b>		<b>87,553,342</b>	<b>2,918,445</b>
2022	November	Big Bend III Solar Development	Wave 2 - Tranche 2	35,721,080	26%	6,687,481	27,865
2022	November	Laurel Oaks Solar Development	Wave 2 - Tranche 2	68,984,708	26%	17,936,034	74,733
2022	November	Riverside Solar Development	Wave 2 - Tranche 2	66,315,233	26%	17,241,961	71,842
2022	December	Palm River Dairy Solar Development	Wave 2 - Tranche 2	70,402,092	26%	18,304,544	25,423
			<b>TOTAL Wave 2 Tranche 2</b>	<b>231,423,112</b>		<b>60,170,009</b>	<b>199,862</b>
						<b>10,379,433</b>	

13,941,136 with tax gross up

TAMPA ELECTRIC COMPANY  
DOCKET NO. 20240026-EI  
EXHIBIT NO. JC-1  
WITNESS: CHRONISTER  
DOCUMENT NO. 2  
PAGE 78 OF 139  
FILED: 04/02/2024

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 78

ATTACHMENT A

EXHIBIT G TO 2021 AGREEMENT  
PAGE 1 OF 6  
FILED: AUGUST 06, 2021

EXHIBIT "G"

72

132

ATTACHMENT A

ORDER NO. PSC-2021-0423-S-EI  
 DOCKET NOS. 20210034-EI, 20200264-EI  
 PAGE 79

EXHIBIT G TO 2021 AGREEMENT  
 PAGE 2 OF 6  
 FILED: AUGUST 06, 2021

Depreciation Calculations		Existing Depr Rate	Revised Depr Rate	Existing	2022 Revised	10-yr Amort	Original Proposed 2022 Depr Rates		
Exhibit G	Account	2021	2022	Depr Rate	Depr Rate	Annual Amount	2022	Revised Depr Rate	Removed 10-yr Amort
	PowerPlant Depr Group	TOTAL	TOTAL				TOTAL	Impacts	Impacts
	10803 108.03 Accum Reserve Dismantling	1,186,094	8,014,743	1,186,094	8,014,743	11,109,860	19,123,623	-	(11,109,860)
	11401 114.01-CUC Acquisition Adj	185,749	185,749	185,749	185,749	185,749	185,749	-	-
	30315 303.15 Intangible Plant 15yr	18,004,485	29,502,855	6.7%	6.7%		29,502,855	-	-
	30399 303.99 Intangible Software Solar 30yr	13,825	13,700	3.3%	3.3%		13,700	-	-
	31140 311.40 Str & Improvements-BBECM	6,820,062	5,338,720	2.9%	3.2%		5,338,720	-	-
	31141 311.41 Str & Improvements-BB1	145,743	68,182	2.0%	2.8%	175,068	243,259	-	(175,068)
	31142 311.42 Str & Improvements-BB2	140,836	7	2.0%	2.6%	266,809	266,816	-	(266,809)
	31143 311.43 Str & Improvements-BB3	273,512	0	1.8%	1.7%	483,363	483,363	-	(483,363)
	31144 311.44 Str & Improve-BB4 MAIN STT	1,165,892	1,230,664	1.8%	1.9%		1,230,664	-	-
	31145 311.45 Str & Improvements-BB3&4 FGD	489,993	514,493	2.0%	2.1%		514,493	-	-
	31146 311.46 Str & Improve-BB1&2 FGD	367,055	211,209	2.9%	2.9%	212,638	423,847	-	(212,638)
	31151 311.51 Str & Improve-BB1 SCR	848,602	6,883	4.1%	4.0%	1,213,752	1,220,635	-	(1,213,752)
	31152 311.52 Str & Improve-BB2 SCR	882,310	0	3.5%	3.5%	1,418,063	1,418,063	-	(1,418,063)
	31153 311.53 Str & Improve-BB3 SCR	672,372	0	3.1%	3.1%	1,261,685	1,261,685	-	(1,261,685)
	31154 311.54 Str & Improve-BB4 SCR	404,574	472,003	2.4%	2.8%		472,003	-	-
	31240 312.40 Boiler Plant Eq-BBCM	6,270,967	8,987,678	3.4%	4.6%	71,211	8,987,678	-	(71,211)
	31241 312.41 Boiler Plant Eq-BB1	4,118,635	5,237	4.0%	5.2%	5,980,967	6,033,264	-	(5,980,967)
	31242 312.42 Boiler Plant Eq-BB2	3,242,754	63,681	3.7%	4.3%	5,100,082	5,171,773	-	(5,100,082)
	31243 312.43 Boiler Plant Eq-BB3	5,772,451	12,844	3.5%	3.6%	9,521,052	9,533,896	-	(9,521,052)
	31244 312.44 Boiler Plant Eq-BB4 MAIN STT	8,668,862	9,724,126	3.0%	3.3%		9,724,126	-	-
	31245 312.45 Boiler Plant Eq-BB3&4 FGD	4,139,936	5,309,162	2.5%	3.1%		5,309,162	-	-
	31246 312.46 Boiler Plant Eq-BB1&2 FGD	1,816,195	707,698	3.3%	4.3%	2,398,788	3,106,496	-	(2,398,788)
	31247 312.47 Fuel Clause BB	-	-	20.0%	20.0%	-	-	-	-
	31251 312.51 Boiler Plant Eq-BB1 SCR	2,020,359	331,716	4.3%	4.3%	1,905,109	2,236,825	-	(1,905,109)
	31252 312.52 Boiler Plant Eq-BB2 SCR	2,050,411	0	4.0%	4.2%	2,882,849	2,882,849	-	(2,882,849)
	31253 312.53 Boiler Plant Eq-BB3 SCR	1,717,566	-	3.9%	3.5%	2,268,212	2,268,212	-	(2,268,212)
	31254 312.54 Boiler Plant Eq-BB4 SCR	1,154,181	1,083,435	3.8%	3.8%		1,083,435	-	-
	31440 314.40 Turbogenerator Units-BBCM	233,775	678,041	2.3%	3.1%		678,041	-	-
	31441 314.41 Turbogenerator Units-BB1	1,767,110	1,272,270	3.5%	5.8%	1,618,908	2,891,178	-	(1,618,908)
	31442 314.42 Turbogenerator Units-BB2	1,932,838	229	3.8%	4.1%	2,374,317	2,374,548	-	(2,374,317)
	31443 314.43 Turbogenerator Units-BB3	1,767,117	4,423	3.2%	3.8%	2,955,780	2,960,203	-	(2,955,780)
	31444 314.44 Turbogenerator Units-BB4 MAIN STT	3,092,198	3,718,743	2.8%	3.2%		3,718,743	-	-
	31640 315.40 Accessory Electric Eq-BBCM	1,621,407	1,533,764	3.7%	3.5%		1,533,764	-	-
	31641 315.41 Accessory Electric Eq-BB1	695,652	10,626	3.5%	4.4%	785,589	796,216	-	(785,589)
	31642 315.42 Accessory Electric Eq-BB2	622,712	0	3.3%	5.0%	1,062,881	1,062,881	-	(1,062,881)
	31643 315.43 Accessory Electric Eq-BB3	938,965	(11,711)	3.6%	3.3%	1,007,766	996,054	-	(1,007,766)
	31644 315.44 Access Elect Eq-BB4 MAIN STT	1,648,279	1,483,753	3.2%	2.9%		1,483,753	-	-
	31645 315.45 Accessory Elect Eq-BB3&4 FGD	928,169	853,014	3.1%	2.4%		853,014	-	-
	31646 315.46 Accessory Elect Eq-BB1&2 FGD	341,806	10,920	3.5%	3.5%	449,423	460,344	-	(448,423)
	31651 315.51 Accessory Elect Eq-BB1 SCR	699,649	193,281	4.8%	4.0%	437,909	631,191	-	(437,909)
	31652 315.52 Accessory Elect Eq-BB2 SCR	663,994	0	4.1%	3.7%	786,635	786,635	-	(786,635)
	31653 315.53 Accessory Elect Eq-BB3 SCR	550,457	0	4.0%	3.2%	641,490	641,490	-	(641,490)
	31654 315.54 Accessory Elect Eq-BB4 SCR	415,039	287,977	3.9%	2.8%		287,977	-	-

73

ATTACHMENT A

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 80

EXHIBIT G TO 2021 AGREEMENT  
PAGE 3 OF 6  
FILED: AUGUST 06, 2021

Depreciation Calculations			Existing Depr Rate		Revised Depr Rate		Existing 2022 Revised		10-yr Amort		Original Proposed 2022 Depr Rates		
Exhibit G			2021	2022	Depr	Depr	Annual	2022	Revised Depr Rate	Removed 10-yr Amort	2022	Revised Depr Rate	Removed 10-yr Amort
Account	PowerPlant	Depr Group	TOTAL	TOTAL	Rate	Rate	Amount	TOTAL	Impacts	Impacts	TOTAL	Impacts	Impacts
31640	316.40	Misc Power Plant Eq-BBCM	1,054,057	828,188	4.2%	3.3%		828,188	-	-		-	-
31641	316.41	Misc Power Plant Eq-BB1	27,496	10,327	3.9%	3.6%	33,487	43,814	-	(33,487)		-	(33,487)
31642	316.42	Misc Power Plant Eq-BB2	16,409	-	3.0%	1.4%	4,513	4,513	-	(4,513)		-	(4,513)
31643	316.43	Misc Power Plant Eq-BB3	59,646	0	3.0%	3.6%	102,763	102,763	-	(102,763)		-	(102,763)
31644	316.44	Misc Pwr Plt Eq-BB 4 MAIN ST	146,645	105,585	2.5%	1.8%		105,585	-	-		-	-
31645	316.45	Misc Power Plant Eq-BB3&4FGD	21,533	4,037	3.2%	0.6%		4,037	-	-		-	-
31646	316.46	Misc Power Plt Eq-BB1&2 FGD	50,039	27,592	2.9%	2.7%	28,174	55,767	-	(28,174)		-	(28,174)
31647	316.47	Tools Big Bend Tyr	153,135	157,289	14.3%	14.3%		157,289	-	-		-	-
31651	316.51	Misc Power Plt Eq-BB1 SCR	36,072	(0)	4.1%	4.0%	45,978	45,978	-	(45,978)		-	(45,978)
31652	316.52	Misc Power Plt Eq-BB2 SCR	35,469	(0)	3.7%	3.4%	51,822	51,822	-	(51,822)		-	(51,822)
31653	316.53	Misc Power Plt Eq-BB3 SCR	28,039	-	3.4%	2.9%	44,528	44,528	-	(44,528)		-	(44,528)
31654	316.54	Misc Power Plt Eq-BB4 SCR	22,702	16,510	3.3%	2.4%		16,510	-	-		-	-
34130	341.30	Str and Improvements-BPC	1,936,130	2,862,106	2.3%	3.4%		2,862,106	-	-		-	-
34131	341.31	Str and Improvements-BP1	537,709	774,301	2.5%	3.6%		774,301	-	-		-	-
34132	341.32	Str and Improvements-BP2	674,299	944,019	2.5%	3.5%		944,019	-	-		-	-
34133	341.33	Str and Improvements-BP3	17,065	22,972	2.6%	3.5%		22,972	-	-		-	-
34134	341.34	Str and Improvements-BP4	6,301	12,359	2.6%	5.1%		12,359	-	-		-	-
34135	341.35	Str and Improvements-BP5	20,621	34,897	2.6%	4.4%		34,897	-	-		-	-
34136	341.36	Str and Improvements-BP6	69,062	82,343	2.6%	3.1%		82,343	-	-		-	-
34144	341.44	Str and Improvements-BBCT4	86,088	119,199	2.6%	3.6%		119,199	-	-		-	-
34180	341.80	Str and Improve-Polk Comm	4,186,074	5,889,559	2.2%	3.1%		5,889,559	-	-		-	-
34181	341.81	Str and Improvements-Polk U1	1,262,982	1,869,184	2.5%	3.7%		1,869,184	-	-		-	-
34182	341.82	Str and Improvements-Polk U2	58,329	56,169	2.7%	2.6%		56,169	-	-		-	-
34183	341.83	Str and Improvements-Polk U3	273,666	273,666	2.6%	2.6%		273,666	-	-		-	-
34184	341.84	Str and Improvements-Polk U4	139,476	156,911	2.4%	2.7%		156,911	-	-		-	-
34185	341.85	Str and Improvements-Polk U5	137,918	155,158	2.4%	2.7%		155,158	-	-		-	-
34186	341.86	Str and Improvements-PKCCST	387,882	347,738	2.9%	2.6%		347,738	-	-		-	-
34199	341.99	Str and Improvements-Solar	7,396,999	6,500,393	3.3%	2.9%		7,396,999	(886,606)	-		-	-
34230	342.30	Fuel Holders,Prod Acc-BPC	599,883	867,539	2.5%	3.0%		867,539	-	-		-	-
34231	342.31	Fuel Holders,Prod Acc-BP1	2,310,074	3,349,565	2.9%	4.0%		3,349,565	-	-		-	-
34232	342.32	Fuel Holders,Prod Acc-BP2	3,014,037	4,063,323	2.9%	3.9%		4,063,323	-	-		-	-
34233	342.33	Fuel Holders,Prod Acc-BP3	122,040	121,289	3.6%	3.2%		121,289	-	-		-	-
34234	342.34	Fuel Holders,Prod Acc-BP4	121,046	107,606	3.6%	3.2%		107,606	-	-		-	-
34235	342.35	Fuel Holders,Prod Acc-BP5	73,891	67,946	3.6%	3.2%		67,946	-	-		-	-
34236	342.36	Fuel Holders,Prod Acc-BP6	55,347	56,890	3.6%	3.7%		56,890	-	-		-	-
34244	342.44	Fuel Holders,Prod Acc-BBCT4	84,715	61,183	3.6%	2.6%		61,183	-	-		-	-
34280	342.80	Fuel Holders,Prod Acc-Polk C	351,296	296,679	3.7%	3.0%		296,679	-	-		-	-
34281	342.81	Fuel Holders,Prod Acc-Polk 1	8,348,561	10,237,696	3.4%	4.1%		10,237,696	-	-		-	-
34282	342.82	Fuel Holders,Prod Acc-Polk 2	106,807	290,051	3.3%	4.3%		290,051	-	-		-	-
34283	342.83	Fuel Holders,Prod Acc-Polk 3	75,398	142,263	2.9%	3.2%		142,263	-	-		-	-
34284	342.84	Fuel Holders,Prod Acc-Polk 4	113,063	151,816	3.2%	2.9%		151,816	-	-		-	-
34285	342.85	Fuel Holders,Prod Acc-Polk 5	84,314	117,313	3.4%	3.7%		117,313	-	-		-	-
34286	342.86	Fuel Holders,Prod Acc-PKCCST	6,198,360	6,439,481	2.9%	3.0%		6,439,481	-	-		-	-

74

ATTACHMENT A

ORDER NO. PSC-2021-0423-S-EI  
 DOCKET NOS. 20210034-EI, 20200264-EI  
 PAGE 81

EXHIBIT G TO 2021 AGREEMENT  
 PAGE 4 OF 6  
 FILED: AUGUST 06, 2021

Depreciation Calculations			Existing Depr Rate		Revised Depr Rate		Existing 2022 Revised 10-yr Amort			Original Proposed 2022 Depr Rates		
Exhibit G			2021	2022	Existing	2022 Revised	Depr	Depr	Annual	2022	Revised Depr Rate	Removed 10-yr Amort
Account	PowerPlant	Depr Group	TOTAL	TOTAL	Rate	Rate	Rate	Rate	Amount	TOTAL	Impacts	Impacts
34287	342.87	Fuel Clause Polk 1	0	0	20.0%	20.0%				0	-	-
34330	343.30	Prime Movers-BPC	1,289,647	2,485,608	3.2%	5.5%				2,485,608	-	-
34331	343.31	Prime Movers-BP1	9,908,477	13,187,468	4.2%	6.1%				13,187,468	-	-
34332	343.32	Prime Movers-BP2	11,820,312	17,938,149	4.1%	6.2%				17,938,149	-	-
34333	343.33	Prime Movers-BP3	618,360	491,638	4.0%	3.1%				491,638	-	-
34334	343.34	Prime Movers-BP4	635,333	508,276	4.0%	3.2%				508,276	-	-
34335	343.35	Prime Movers-BP5	745,185	633,626	4.0%	3.4%				633,626	-	-
34336	343.36	Prime Movers-BP6	700,699	472,975	4.0%	2.7%				472,975	-	-
34344	343.44	Prime Movers-BBCT4	792,674	614,322	4.0%	3.1%				614,322	-	-
34345	343.45	Prime Movers-BBCT5	-	5,962,893	0.0%	2.9%				5,962,893	-	-
34346	343.46	Prime Movers-BBCT6	-	3,968,163	0.0%	2.9%				3,968,163	-	-
34343	343.43	Prime Movers-BB New ST1	-	304,133	0.0%	2.9%				304,133	-	-
34360	343.60	Prime Movers-Polk Common	233,058	395,591	2.2%	3.8%				395,591	-	-
34381	343.81	Prime Movers-Polk U1	6,843,401	6,982,105	4.5%	4.8%				6,982,105	-	-
34382	343.82	Prime Movers-Polk U2	1,201,041	1,509,306	4.4%	4.9%				1,509,306	-	-
34383	343.83	Prime Movers-Polk U3	1,569,748	1,287,903	4.6%	3.8%				1,287,903	-	-
34384	343.84	Prime Movers-Polk U4	966,501	1,196,713	4.1%	4.7%				1,196,713	-	-
34385	343.85	Prime Movers-Polk U5	988,515	1,301,866	3.9%	5.0%				1,301,866	-	-
34386	343.86	Prime Movers-PKCCST	6,488,440	6,964,217	2.9%	3.1%				6,964,217	-	-
34399	343.99	Prime Movers-Solar	14,428,088	21,125,746	3.3%	2.9%				24,039,642	(2,913,896)	-
34630	345.30	Accessory Electric Eq-BPC	1,230,375	966,723	4.2%	3.3%				966,723	-	-
34631	345.31	Accessory Electric Eq-BP1	1,268,821	1,612,864	3.2%	4.1%				1,612,864	-	-
34632	345.32	Accessory Electric Eq-BP2	1,365,822	1,806,409	3.1%	4.1%				1,806,409	-	-
34633	345.33	Accessory Electric Eq-BP3	566,212	382,193	4.0%	2.7%				382,193	-	-
34634	345.34	Accessory Electric Eq-BP4	166,760	116,732	4.0%	2.8%				116,732	-	-
34635	345.35	Accessory Electric Eq-BP5	414,042	279,478	4.0%	2.7%				279,478	-	-
34636	345.36	Accessory Electric Eq-BP6	574,344	402,041	4.0%	2.8%				402,041	-	-
34644	345.44	Accessory Electric Eq-BBCT4	612,988	429,092	4.0%	2.8%				429,092	-	-
34660	345.60	Accessory Elect Eq-Polk Comm	403,451	500,848	2.9%	3.6%				500,848	-	-
34681	345.81	Accessory Elect Eq-Polk U1	1,915,277	1,915,277	3.3%	3.3%				1,915,277	-	-
34682	345.82	Accessory Elect Eq-Polk U2	494,448	600,401	2.8%	3.4%				600,401	-	-
34683	345.83	Accessory Elect Eq-Polk U3	272,949	345,736	3.0%	3.9%				345,736	-	-
34684	345.84	Accessory Elect Eq-Polk U4	217,372	139,341	3.9%	2.5%				139,341	-	-
34685	345.85	Accessory Elect Eq-Polk U5	213,137	142,091	3.9%	2.8%				142,091	-	-
34686	345.86	Accessory Elect Eq-PKCCST	531,744	550,080	2.9%	3.0%				550,080	-	-
34699	345.99	Accessory Elect Eq-Solar	5,528,116	4,868,042	3.3%	2.9%				5,528,116	(670,075)	-
34630	346.30	Misc Power Plant Eq-BPC	353,729	442,161	3.2%	4.0%				442,161	-	-
34631	346.31	Misc Power Plant Eq-BP1	31,123	36,887	2.7%	3.2%				36,887	-	-
34632	346.32	Misc Power Plant Eq-BP2	40,757	48,035	2.8%	3.3%				48,035	-	-
34633	346.33	Misc Power Plant Eq-BP3	36	31	4.0%	3.4%				31	-	-
34634	346.34	Misc Power Plant Eq-BP4	36	31	4.0%	3.4%				31	-	-
34636	346.36	Misc Power Plant Eq-BP6	469	268	4.0%	2.2%				268	-	-
34637	346.37	Tools Bayside 7yr	78,589	64,287	14.3%	14.3%				64,287	-	-

75



ATTACHMENT A

ORDER NO. PSC-2021-0423-S-EI  
 DOCKET NOS. 20210034-EI, 20200264-EI  
 PAGE 82

EXHIBIT G TO 2021 AGREEMENT  
 PAGE 5 OF 6  
 FILED: AUGUST 06, 2021

Depreciation Calculations			Existing Depr Rate		Revised Depr Rate		Existing 2022 Revised		10-yr Amort		Original Proposed 2022 Depr Rates		
Exhibit G			2021	2022	Depr	Depr	Annual	2022	Revised Depr Rate	Removed 10-yr Amort	2022	Revised Depr Rate	Removed 10-yr Amort
Account	PowerPlant	Depr Group	TOTAL	TOTAL	Rate	Rate	Amount	TOTAL	Impacts	Impacts	TOTAL	Impacts	Impacts
34644	346.44	Misc Power Plant Eq-BBCT4	20,427	14,809	4.0%	2.9%		14,809	-	-	14,809	-	-
34680	346.80	Misc Power Plt Eq-Polk Comm	20,415	47,635	2.4%	5.8%		47,635	-	-	47,635	-	-
34681	346.81	Misc Power Plant Eq-Pok U1	187,894	254,553	3.1%	4.2%		254,553	-	-	254,553	-	-
34682	346.82	Misc Power Plant Eq-Pok U2	6,062	2,945	3.5%	1.7%		2,945	-	-	2,945	-	-
34683	346.83	Misc Power Plant Eq-Pok U3	13,420	9,524	3.1%	2.2%		9,524	-	-	9,524	-	-
34686	346.86	Misc Power Plant Eq-PKCCST	4,107	4,249	2.9%	3.0%		4,249	-	-	4,249	-	-
34687	346.87	Tools Pok Yr	171,657	110,268	14.3%	14.3%		110,268	-	-	110,268	-	-
34699	346.99	Energy Storage Battery Equip	947,327	947,327	10.0%	10.0%		947,327	-	-	947,327	-	-
35001	350.01	Land Rights	157,972	157,972	1.3%	1.3%		157,972	-	-	157,972	-	-
35200	352.00	STR and Improvements	968,472	1,025,370	1.7%	1.8%	107	1,025,370	-	(107)	-	-	(107)
35300	353.00	Station Equipment	8,400,882	8,873,699	2.3%	2.4%	532,389	9,406,058	0	(532,389)	-	-	(532,389)
35400	354.00	Towers & Fixtures	117,117	142,578	2.3%	2.8%		142,578	-	-	142,578	-	-
35600	356.00	Poles and Fixtures	14,554,866	12,882,916	3.6%	2.8%		16,576,606	(3,883,690)	-	-	-	-
35600	356.00	OH Cond and Devices	4,894,252	4,992,786	2.8%	2.9%		5,861,412	(888,626)	-	-	-	-
35601	356.01	Clearing Rights of Way	42,212	33,770	2.0%	1.8%		33,770	-	-	33,770	-	-
35700	357.00	Underground Conduit	64,760	61,163	1.8%	1.7%		61,163	-	-	61,163	-	-
35800	358.00	UG Conductors & Devices	170,314	199,934	2.3%	2.7%		199,934	-	-	199,934	-	-
35900	359.00	Roads and Trails	241,856	286,341	1.5%	1.8%		286,341	-	-	286,341	-	-
36100	361.00	Structures & Improvements	515,477	515,477	1.8%	1.8%		515,477	-	-	515,477	-	-
36200	362.00	Station Equipment	6,285,415	6,921,603	2.4%	2.5%		6,921,603	-	-	6,921,603	-	-
36400	364.00	Poles, Towers & Fixtures	15,247,028	13,837,856	4.4%	3.7%		16,455,829	(2,817,973)	-	-	-	-
36600	366.00	OH Conductors & Devices	8,308,482	6,065,486	3.1%	2.2%		7,168,302	(1,102,816)	-	-	-	-
36800	368.00	UG Conduit & Others	5,872,888	5,742,739	1.8%	1.7%		5,742,739	-	-	5,742,739	-	-
36700	367.00	UG Conductors & Devices	10,693,779	10,455,573	3.0%	2.9%		11,819,343	(1,383,770)	-	-	-	-
36800	368.00	Line Transformers - OH	33,817,580	36,755,606	4.4%	4.5%		43,289,938	(6,534,330)	-	-	-	-
36900	369.00	Services - OH	2,885,623	1,537,736	3.4%	1.8%		1,861,470	(323,734)	-	-	-	-
36902	369.02	Services - UG	3,863,604	3,087,906	2.8%	2.3%		3,624,633	(537,027)	-	-	-	-
37000	370.00	Meters	62,494	220,428	7.2%	7.9%		220,428	-	-	220,428	-	-
37000	370.00	Meters - Analog & AMR	5,607,390	1,075,580	7.2%	7.9%	3,614,887	4,690,267	(220,428)	(3,614,887)	-	-	-
37001	370.01	Meters - AMI	-	9,537,031	7.2%	8.7%		9,537,031	-	-	9,537,031	-	-
37300	373.00	Street Light & Signal Sys	16,864,184	9,108,371	5.4%	2.8%		14,963,763	(5,865,381)	-	-	-	-
39000	390.00	Structures & Improvements	3,061,736	1,966,492	2.3%	1.4%	1,289	3,609,607	(1,544,815)	(1,289)	-	-	-
39101	391.01	Office Fur, Fixt & Equip 7yr	822,115	811,901	14.3%	14.3%		811,901	-	-	811,901	-	-
39102	391.02	Computer & Perph Equip 4yr	1,401,743	3,664,230	25.0%	25.0%		3,664,230	-	-	3,664,230	-	-
39104	391.04	Computer Hardw-Mainframe 5yr	7,590,107	4,783,433	20.0%	20.0%		4,783,433	-	-	4,783,433	-	-
39212	392.12	ES Trans Equip - L Vehicle	206,172	220,443	6.6%	6.1%		220,443	-	-	220,443	-	-
39213	392.13	ES Trans Equip - H Vehicle	27,444	35,603	3.7%	4.8%		35,603	-	-	35,603	-	-
39400	394.00	Tool Shop & Garage Equip 7yr	2,030,046	2,426,722	14.3%	14.3%		2,426,722	-	-	2,426,722	-	-
39401	394.01	ECCR Solar Car Post 5yr	522,500	900,000	20.0%	20.0%		900,000	-	-	900,000	-	-
39500	395.00	Laboratory Equipment 7yr	356,108	482,898	14.3%	14.3%		482,898	-	-	482,898	-	-
39700	397.00	Communication Equipment 7yr	6,719,537	7,007,284	14.3%	14.3%		7,007,284	-	-	7,007,284	-	-

76

Exhibit G Account		Existing Depr Rate		Revised Depr Rate		Existing Depr Rate	2022 Revised Depr Rate	10-yr Amort Annual Amount	Original Proposed 2022 Depr Rates		
		2021 TOTAL	2022 TOTAL	2022 TOTAL	Revised Depr Rate Impacts				Removed 10-yr Amort Impacts		
39725	397.25 Fiber Optic	1,841,857	1,063,500	5.3%	2.9%			1,386,879	(293,379)	-	
39800	399.00 Miscellaneous Equipment Tyr	401,266	401,266	14.3%	14.3%			401,266	-	-	
	Subtotal	369,241,066	391,219,155					62,878,829	(29,246,076)	(62,876,829)	
<b>FUNCTIONAL SUMMARY</b>											
	Dismantlement	1,166,094	8,014,743					19,123,623	-	(11,168,880)	Summary of the Dismantling impact above
	Acquisition Adjustments	165,749	165,749					165,749	-	-	
	SOFTWARE - Intangibles	16,018,310	29,516,555					29,516,555	-	-	
	GENERATION - Steam	72,734,684	45,329,637					92,877,984	-	(47,619,458)	Summary of the Big Bend impact above
	GENERATION - Other	114,509,070	150,861,848					156,242,425	(4,480,577)	-	Summary of the Solar impact above
	TRANSMISSION	29,412,703	28,866,468					33,571,203	(4,372,348)	(532,606)	Summary of the Transmission impacts above
	DISTRIBUTION	109,213,822	104,861,392					126,811,110	(18,556,459)	(3,614,687)	Summary of the Distribution impacts above
	GENERAL PLANT	23,960,633	23,762,773					26,620,457	(1,637,694)	(1,298)	Summary of the General Plant impacts above
	TOTAL	369,241,066	391,219,155					463,649,016	(29,246,076)	(62,876,829)	Revised Depreciation Rate Reduction
	ADD: LED Clause Depreciation Expense	5,497,500	4,972,800					4,972,800			
	MFR C-6 463.404.406 for 2021 and 2022	374,738,566	396,191,955					468,621,816	(29,246,076)	(62,876,829)	Revised Depreciation Rate Reduction
	Separation:	(2,385,253)	(2,159,454)					(2,658,629)	159,058	634,162	Application of Separation Factor
	FPSC Adjustments:										
	Recoverable ECCR	(6,020,000)	(5,872,500)					(5,872,500)	-	-	Specific to the conservation clause
	Recoverable ECRC	(20,061,537)	(8,753,004)					(24,140,316)	-	15,367,312	Specific to the environmental clause
	Recoverable SPPCRC	(1,247,169)	(2,722,942)					(3,094,211)	371,269	-	Specific to the storm protection plan clause
	Acquisition Amortizations	(184,580)	(164,737)					(164,737)	-	-	Excluded from base rates
	Settlement Adjustment		(500,319)					-	-	(500,319)	Settlement Adjustment
	Total FPSC Adjustments	(27,533,286)	(18,033,601)					(33,291,764)	371,269	14,866,994	Revised Depreciation Rate Reduction
	FPSC Adjusted:	344,820,027	376,000,000					465,071,423	(29,715,749)	(47,365,673)	Revised Depreciation Rate Reduction
	<b>\$ 452,071,423 Original Depreciation &amp; Amortization FPSC Adjusted Amount</b>										
	(26,067,016) Revised Depreciation Study Rate Impact (separated)										
	371,269 Revised SPPCRC using revised Depreciation Study Rate impact										
	(62,242,667) Removal of the 10-year Amortization for CETM purposes (separated)										
	15,367,312 Removal of the ECRC related 10-year Amortization for CETM purposes										
	(500,319) Settlement Adjustment										
	<b>\$ 376,000,000 Revised Depreciation &amp; Amortization FPSC Adjusted Amount</b>										

77

TAMPA ELECTRIC COMPANY  
DOCKET NO. 20240026-EI  
EXHIBIT NO. JC-1  
WITNESS: CHRONISTER  
DOCUMENT NO. 2  
PAGE 84 OF 139  
FILED: 04/02/2024

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 84

ATTACHMENT A

EXHIBIT H TO 2021 AGREEMENT  
PAGE 1 OF 2  
FILED: AUGUST 06, 2021

**EXHIBIT "H"**

**78**

**138**

Exhibit H  
 TAMPA ELECTRIC COMPANY  
 Estimated Net Salvage and Remaining Life for  
 Calculating Future Accruals, Annual Depreciation Accruals and Rates  
 December 31, 2019

Solar Sites based on ASL of 35-years

	Retirement Year	Curve	Net Salvage	Original Cost	Book Reserve	Future Accruals	Average Remaining Life	Annual Depreciation Accruals	Annual Depreciation Rate
	(1)	(2)	(3)	(4)	(5)	(6)=(100%-(3)x(4)-(5))	(7)	(8)=(6)x(7)	(9)=(8)/(4)
341.99 - Structures & Improvements	2054	SQ	0	176,075,356	5,959,130	170,116,226	33	5,155,037	2.9%
342.99 - Fuel Holders, Producers and Accessories	2054	SQ	0	0	-	0	34	0	2.9%
343.99 - Prime Movers	2054	SQ	0	272,856,762	11,221,756	261,635,006	33	7,928,334	2.9%
345.99 - Accessory Electric Equipment	2054	SQ	0	96,257,198	3,766,750	92,490,448	33	2,802,741	2.9%
346.99 - Misc. Power Plant Equipment	2054	SQ	0	0	-	0	34	0	2.9%
348.99 - Energy Storage Battery Equipment	2054	SQ	0	0	-	0	10	0	10.0%
Total Solar Sites			0	545,189,316	20,947,635	524,241,680	33	15,886,112	2.9%

TAMPA ELECTRIC COMPANY  
 Estimated Net Salvage and Remaining Life for  
 Calculating Future Accruals, Annual Depreciation Accruals and Rates  
 December 31, 2019

Solar Sites based on ASL of 30-years

	Retirement Year	Curve	Net Salvage	Original Cost	Book Reserve	Future Accruals	Average Remaining Life	Annual Depreciation Accruals	Annual Depreciation Rate
	(1)	(2)	(3)	(4)	(5)	(6)=(100%-(3)x(4)-(5))	(7)	(8)=(6)x(7)	(9)=(8)/(4)
341.99 - Structures & Improvements	2049	SQ	0	176,075,356	5,959,130	170,116,226	29	5,866,077	3.3%
342.99 - Fuel Holders, Producers and Accessories	2049	SQ	0	0	-	0	30	0	3.3%
343.99 - Prime Movers	2049	SQ	0	272,856,762	11,221,756	261,635,006	29	9,027,897	3.3%
345.99 - Accessory Electric Equipment	2049	SQ	0	96,257,198	3,766,750	92,490,448	29	3,189,326	3.3%
346.99 - Misc. Power Plant Equipment	2049	SQ	0	0	-	0	30	0	3.3%
348.99 - Energy Storage Battery Equipment	2049	SQ	0	0	-	0	10	0	10.0%
Total Solar Sites			0	545,189,316	20,947,635	524,241,680	29	18,077,299	3.3%

79

TAMPA ELECTRIC COMPANY  
DOCKET NO. 20240026-EI  
EXHIBIT NO. JC-1  
WITNESS: CHRONISTER  
DOCUMENT NO. 2  
PAGE 86 OF 139  
FILED: 04/02/2024

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 86

ATTACHMENT A

EXHIBIT I TO 2021 AGREEMENT  
PAGE 1 OF 2  
FILED: AUGUST 06, 2021

EXHIBIT "I"

80

140

ATTACHMENT A

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 87

EXHIBIT I TO 2021 AGREEMENT  
PAGE 2 OF 2  
FILED: AUGUST 06, 2021

Tampa Electric  
Exhibit I  
GBRA Calculations

	2023 GBRA			2024 GBFA	2023 & 2024
	Big Bend Mod Phase 2	Solar Wave 2 Tranche 2	Total	Solar Wave 2 Tranche 3	Total GBRA
1. Per Rate Case Filed					
2. Rate Base (13 Month Average)	489,143,146	278,132,277	767,275,423	190,329,063	957,604,486
3. Rate of Return (MFR A-1)	6.67%	6.67%	6.67%	6.67%	6.67%
4. NOI Requested	32,625,848	18,551,423	51,177,271	12,694,949	63,872,219
5. NOI Multiplier (MFR A-1)	1.34315	1.34315	1.34315	1.34315	1.34315
6. Return on Rate Base	43,821,354	24,917,313	68,738,668	17,051,199	85,789,867
7. O&M Expense	3,000,000	2,400,678	5,400,678	1,600,452	7,001,130
8. Depreciation Expense	13,490,122	8,672,207	22,162,330	6,329,907	28,492,237
9. Property Taxes	4,973,617	960,392	5,934,009	657,880	6,591,889
10. Total Revenue Requirement	65,285,094	36,950,591	102,235,685	25,639,438	127,875,123
11.					
12. Revised					
13. Original In-Service Amount	496,437,505	283,677,155	780,114,660	193,831,970	973,946,629
14. Rate of Return - Debt	1.60%	1.60%	1.60%	1.60%	1.60%
15. NOI Requested - Debt Portion	7,943,000	4,538,834	12,481,835	3,101,312	15,583,146
16. NOI Multiplier	1.00000	1.00000	1.00000	1.00000	1.00000
17. Return on Rate Base - Debt	7,943,000	4,538,834	12,481,835	3,101,312	15,583,146
18.					
19. Rate Base	496,437,505	283,677,155	780,114,660	193,831,970	973,946,629
20. Rate of Return - Other	4.66%	4.66%	4.66%	4.66%	4.66%
21. NOI Requested - Other	23,133,988	13,219,355	36,353,343	9,032,570	45,385,913
22. NOI Calculated	1.34315	1.34315	1.34315	1.34315	1.34315
23. Return on Rate Base - Other	31,072,378	17,755,556	48,827,934	12,132,081	60,960,015
24. O&M Expense	1,300,000	2,400,678	3,700,678	1,600,452	5,301,130
25. Depreciation Expense	13,490,122	7,629,108	21,119,230	5,582,454	26,701,684
26. Property Taxes	4,973,617	960,392	5,934,009	657,880	6,591,889
27. Revenue Requirement - Other	50,836,117	28,745,734	79,581,852	19,972,867	99,554,719
28. ITC Amortization	-	(2,309,064)	(2,309,064)	(1,697,269)	(4,006,334)
29. Total Revenue Requirement	58,779,117	30,975,505	89,754,622	21,376,909	111,131,531
30.					
31. Revenue Requirement Reduction	(6,505,976)	(5,975,086)	(12,481,063)	(4,262,529)	(16,743,592)
32.					
33.					
34.					

TAMPA ELECTRIC COMPANY  
DOCKET NO. 20240026-EI  
EXHIBIT NO. JC-1  
WITNESS: CHRONISTER  
DOCUMENT NO. 2  
PAGE 88 OF 139  
FILED: 04/02/2024

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 88

ATTACHMENT A

EXHIBIT J TO 2021 AGREEMENT  
PAGE 1 OF 5  
FILED: AUGUST 06, 2021

EXHIBIT "J"

82

142

**Exhibit J**  
**Tampa Electric Company**  
**Clean Energy Transition Mechanism**  
**Includes Depiction of Declining Revenue Requirement for New Regulatory Assets and**  
**Computation of Levelized Revenue Requirement**  
**Big Band 1, 2, and 3 NEV and Dis-mantlement Deficiency Costs and AMR/NEV**  
**\$ Millions**

See Exhibit No. DA 1 Document 2 for Initial Reg Asset Balances (\$ Millions)

Big Band Unit 1 NEV at 12/31/2021 122,869  
 Big Band Unit 2 NEV at 12/31/2021 171,306  
 Big Band Unit 3 NEV at 12/31/2021 187,357  
 AMR/NEV at 12/31/2021 36,147  
617,679

Big Band Unit 1 Dis-mantlement Deficiency Estimate as of 12/31/2021 28,472  
 Big Band Unit 2 Dis-mantlement Deficiency Estimate as of 12/31/2021 39,642  
 Big Band Unit 3 Dis-mantlement Deficiency Estimate as of 12/31/2021 42,925  
111,039

Amortization Period 15  
 Grossed Up ROR Authorized 7.80%  
 (Assumes 54.0% Financial Equity Ratio and 9.95% ROE)

	11/01/2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	Total
Reg Asset - Original	517,679	517,679	517,679	517,679	517,679	517,679	517,679	517,679	517,679	517,679	517,679	517,679	517,679	517,679	517,679	517,679	517,679
Cumulative Dis-mantlement Deficiency Additions																	
Less: Accumulated Amortization	(34,512)	(69,024)	(103,536)	(138,048)	(172,560)	(207,072)	(241,584)	(276,096)	(310,608)	(345,120)	(379,632)	(414,144)	(448,656)	(483,168)	(517,680)	(552,192)	(628,768)
In-Service Rate Base	517,679	483,168	469,956	479,205	470,671	440,954	396,768	352,683	308,598	264,512	220,427	176,341	132,256	88,171	44,086	-	-
<b>1. Traditional Declining Revenue Requirement</b>																	
Grossed Up Rate of Return - Traditional	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.80%	7.89%
Total Return Revenue Requirement - Traditional (Big and End Avg)	39,033	37,172	37,017	37,053	35,557	32,667	29,229	25,790	22,351	18,913	15,474	12,035	8,597	5,158	1,719	-	357,765
Amortization Expense - Book	34,512	34,512	34,512	34,512	34,512	34,512	34,512	34,512	34,512	34,512	34,512	34,512	34,512	34,512	34,512	34,512	34,512
Traditional Declining Revenue Requirement - Nominal	73,545	71,684	73,168	76,967	70,364	76,753	73,314	69,675	66,437	62,998	59,559	56,121	52,682	49,243	45,805	-	-
NPV of Traditional Declining Revenue Requirement	68,224	61,686	58,407	57,009	53,830	49,908	43,337	36,316	33,754	29,726	26,070	22,788	19,844	17,306	14,847	-	693,889
<b>2. Levelized CETM Revenue Requirement</b>																	
Levelized Revenue Requirement-Nominal	68,550	68,550	68,550	68,550	68,550	68,550	68,550	68,550	68,550	68,550	68,550	68,550	68,550	68,550	68,550	68,550	1,028,254
NPV of Levelized Revenue Requirement	63,690	68,989	54,721	50,761	47,089	43,681	40,521	37,689	34,969	32,346	30,006	27,836	25,821	23,952	22,219	-	693,889
<b>3. Savings Levelized v Traditional Declining Cost</b>																	
Savings in Annual Revenue Requirement - Nominal	4,995	3,133	4,617	8,436	9,813	8,202	4,764	1,325	(2,114)	(5,552)	(8,991)	(12,430)	(15,968)	(19,307)	(22,746)	-	-
Book Amortization	517,679	483,168	469,956	479,205	470,671	440,954	396,768	352,683	308,598	264,512	220,427	176,341	132,256	88,171	44,086	-	-
Regulatory Asset - Net	15	14	13	12	11	10	9	8	7	6	5	4	3	2	1	-	-
Years	15	14	13	12	11	10	9	8	7	6	5	4	3	2	1	-	-
Amort Expense - Book	34,512	34,512	34,512	34,512	34,512	34,512	34,512	34,512	34,512	34,512	34,512	34,512	34,512	34,512	34,512	34,512	34,512

83



ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 90

ATTACHMENT A

EXHIBIT J TO 2021 AGREEMENT  
PAGE 3 OF 5  
FILED: AUGUST 06, 2021

EXHIBIT J  
TAMPA ELECTRIC COMPANY  
DOCKET NO. 20210034-EI  
TEST YEAR ENDING DECEMBER 31, 2022  
(\$ MILLIONS)

Exhibit \_\_ (LK-19)  
Page 2 of 4

I. TEC Cost of Capital Per Filing

	Jurisdictional Adjusted Capital	Capital Ratio	Cost Rate	Weighted Avg Cost	(1) Grossed Up Cost
Long Term Debt	2,775,504	34.99%	4.17%	1.46%	1.46%
Customer Deposits	90,615	1.14%	2.44%	0.03%	0.03%
Short Term Debt	235,536	2.97%	1.01%	0.03%	0.03%
Deferred Income Tax	951,332	11.99%	0.00%	0.00%	0.00%
Investment Tax Credits	263,507	3.32%	7.66%	0.25%	0.25%
Common Equity	3,614,692	45.59%	10.75%	4.90%	6.59%
<b>Total Capital</b>	<b>7,931,177</b>	<b>100.00%</b>		<b>6.67%</b>	<b>8.36%</b>

II. TEC Cost of Capital Adjusted to Restate Financial Common Equity Ratio at 64.0% (Company's Updated Sch D-1a Calculation)

	Jurisdictional Adjusted Capital	Capital Ratio	Cost Rate	Weighted Avg Cost	(1) Grossed Up Cost
Long Term Debt	2,815,569	35.50%	4.17%	1.48%	1.48%
Customer Deposits	90,615	1.14%	2.44%	0.03%	0.03%
Short Term Debt	235,536	2.97%	1.01%	0.03%	0.03%
Deferred Income Tax	951,332	11.99%	0.00%	0.00%	0.00%
Investment Tax Credits	263,507	3.32%	7.66%	0.25%	0.25%
Common Equity	3,574,618	45.07%	10.75%	4.85%	6.51%
<b>Total Capital</b>	<b>7,931,177</b>	<b>100.00%</b>		<b>6.64%</b>	<b>8.31%</b>

II. TEC Cost of Capital Adjusted to Restate ROE at 9.95%

	Jurisdictional Adjusted Capital	Capital Ratio	Cost Rate	Weighted Avg Cost	(1) Grossed Up Cost
Long Term Debt	2,815,569	35.50%	4.17%	1.48%	1.48%
Customer Deposits	90,615	1.14%	2.44%	0.03%	0.03%
Short Term Debt	235,536	2.97%	1.01%	0.03%	0.03%
Deferred Income Tax	951,332	11.99%	0.00%	0.00%	0.00%
Investment Tax Credits	263,507	3.32%	7.18%	0.24%	0.24%
Common Equity	3,574,618	45.07%	9.95%	4.48%	6.02%
<b>Total Capital</b>	<b>7,931,177</b>	<b>100.00%</b>		<b>6.26%</b>	<b>7.80%</b>

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 91

ATTACHMENT A

EXHIBIT J TO 2021 AGREEMENT  
PAGE 4 OF 5  
FILED: AUGUST 06, 2021

Exhibit\_\_(LK-16)  
Page 3 of 4

EXHIBIT J  
TAMPA ELECTRIC COMPANY  
AS-FILED REVENUE EXPANSION FACTOR  
DOCKET NO. 20210034-EI  
ALL TEST YEARS  
(\$ MILLIONS)

	Tax Only	As Filed By Company
Assume pre-tax income of	1.0000%	1.0000%
Regulatory Assessment	0.00000%	0.00072%
Bad Debt Rate	0.00000%	0.00200%
Net Pretax Subtotal	1.00000%	0.99728%
State income tax	5.50% 0.05500%	0.05485%
Taxable income for Federal income tax	0.94500%	0.94243%
Federal income tax at 21%	21.0% 0.19845%	0.19791%
Revenue Expansion Factor	0.74655%	0.74452%
Gross-Up	1.33950	1.34315
Effective Income Tax Rate	25.3450%	

Source: Schedule C-44

ATTACHMENT A

ORDER NO. PSC-2021-0423-S-EI  
 DOCKET NOS. 20210034-EI, 20200264-EI  
 PAGE 92

EXHIBIT J TO 2021 AGREEMENT  
 PAGE 5 OF 5  
 FILED: AUGUST 06, 2021

EXHIBIT J  
 Tampa Electric  
 Retiring Asset Dismantlement Summary

	<u>2022</u>	<u>2023</u>	<u>2024</u>	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>	<u>2035</u>	<u>2036</u>	<u>Total</u>
Dismantlement Spend	2.5	27.1	45.4	31.6	12.8	-	-	-	-	-	-	-	-	-	-	119.4
Dismantlement Reserve	2.5	5.8	-	-	-	-	-	-	-	-	-	-	-	-	-	8.3
Dismantlement Deficiency	-	21.3	45.4	31.6	12.8	-	-	-	-	-	-	-	-	-	-	111.1
Cumulative Deficiency	-	21.3	66.7	98.3	111.1											
10-Year Amortization	11.1	11.1	11.1	11.1	11.1	11.1	11.1	11.1	11.1	11.1	-	-	-	-	-	111.1
15-Year Amortization	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	7.4	111.1

TAMPA ELECTRIC COMPANY  
DOCKET NO. 20240026-EI  
EXHIBIT NO. JC-1  
WITNESS: CHRONISTER  
DOCUMENT NO. 2  
PAGE 93 OF 139  
FILED: 04/02/2024

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 93

ATTACHMENT A

EXHIBIT K TO 2021 AGREEMENT  
PAGE 1 OF 2  
FILED: AUGUST 06, 2021

EXHIBIT "K"

87

147

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 94

ATTACHMENT A

EXHIBIT K TO 2021 AGREEMENT  
PAGE 2 OF 2  
FILED: AUGUST 06, 2021

	2022 Adjusted Revenues	Year 1 Total Increase	Year 2 GBRA Increase	Year 3 GBRA Increase
RS	\$773,680	\$149,386	\$70,116	\$16,699
GS	\$81,788	\$18,278	\$8,579	\$2,043
RS & GS Combined	\$855,468	\$167,664	\$78,695	\$18,743
GSD	\$300,643	\$8,996	\$4,223	\$1,006
GSLDPR	\$41,433	\$1,231	\$578	\$138
GSLDSU	\$23,350	\$694	\$326	\$78
LSENERGY	\$3,296	\$610	\$286	\$68
LSFACILITIES	\$65,750	\$12,033	\$5,648	\$1,345
FPSC JURIS	\$1,289,940	\$191,228	\$89,755	\$21,377

Note: The Year 1 Total Increase amounts include the CETM and base revenue increase.

TAMPA ELECTRIC COMPANY  
DOCKET NO. 20240026-EI  
EXHIBIT NO. JC-1  
WITNESS: CHRONISTER  
DOCUMENT NO. 2  
PAGE 95 OF 139  
FILED: 04/02/2024

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 95

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 1 OF 42  
FILED: AUGUST 06, 2021

EXHIBIT "L"

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 96

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 2 OF 42  
FILED: AUGUST 06, 2021



SECOND REVISED SHEET NO. 6.800  
CANCELS FIRST REVISED SHEET NO. 6.800

LIGHTING SERVICE
<p><b>SCHEDULE:</b> LS-1</p>
<p><b>AVAILABLE:</b> Entire service area</p>
<p><b>APPLICABLE:</b> Lighting Service is applicable to any customer for the sole purpose of lighting roadways or other outdoor areas. Service hereunder is provided for the sole and exclusive benefit of the customer, and nothing herein or in the contract executed hereunder is intended to benefit any third party or to impose any obligation on the Company to any such third party. At the Company's option, a deposit amount of up to a two (2) month's average bill may be required at anytime.</p>
<p><b>CHARACTER OF SERVICE:</b> Service is provided during the hours of darkness normally on a dusk-to-dawn basis.</p> <p>At the Company's option and at the customer's request, the company may permit a timer to control a lighting system provided under this rate schedule that is not used for dedicated street or highway lighting. The Company shall install and maintain the timer at the customer's expense. The Company shall program the timer to the customer's specifications as long as such service does not exceed 2,100 hours each year. Access to the timer is restricted to company personnel.</p>
<p><b>LIMITATION OF SERVICE:</b> Installation shall be made only when, in the judgment of the Company, location of the proposed lights are, and will continue to be, feasible and accessible to the company equipment and personnel for both construction and maintenance.</p>
<p><b>TERM OF SERVICE:</b> Service under this rate schedule shall be for an initial term of ten (10) years beginning on the date one or more of the lighting equipment is installed, energized, and ready for use and shall continue thereafter for successive one-year terms until terminated by either party upon providing ninety (90) days prior written notice.</p> <p>Service under this rate schedule for individual, residential real property owners, residing (or a landlord) at the Installation Site, and purchasing Equipment costing less than ten thousand dollars (\$10,000) shall not have a primary term and instead shall have a month-to-month term that can be terminated by either Party with thirty (30) days written notice and shall be governed by the terms of the Bright Choices Outdoor Lighting Agreement – Individual Residential.</p> <p>Any existing customer receiving services under the LS-1 rate schedule may elect to transfer services to the LS-2 rate schedule, without penalty, or renewal of primary term. A new LS-2 agreement is not required to initiate the transition, only authorization for the customer in writing.</p>
Continued to Sheet No. 6.805

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE:

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 97

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 3 OF 42  
FILED: AUGUST 06, 2021



ELEVENTH REVISED SHEET NO. 6.815  
CANCELS TENTH REVISED SHEET NO. 6.815

Continued from Sheet No. 6.810

**Miscellaneous Facilities Charges:**

Rate Code	Description	Monthly Facility Charge	Monthly Maintenance Charge
563	Timer	\$7.54	\$1.43
569	PT Bracket (accommodates two post top fixtures)	\$4.27	\$0.06

**NON-STANDARD FACILITIES AND SERVICES:**

The customer shall pay all costs associated with additional company facilities and services that are not considered standard for providing lighting service, including but not limited to, the following:

- relays;
- distribution transformers installed solely for lighting service;
- protective shields;
- bird deterrent devices;
- light trespass shields;
- light rotations;
- light pole relocations;
- devices required by local regulations to control the levels or duration of illumination including associated planning and engineering costs;
- removal and replacement of pavement required to install underground lighting cable; and
- directional boring.
- Ground penetrating radar (GPR)
- Special permitting requirements
- Custom motion of traffic permits

**MINIMUM CHARGE:** The monthly charge.

**FUEL CHARGE:** See Sheet Nos. 6.020 and 6.022.

**ENERGY CONSERVATION RECOVERY CHARGE:** See Sheet Nos. 6.021 and 6.022.

**CAPACITY RECOVERY CHARGE:** See Sheet Nos. 6.020 and 6.022

**ENVIRONMENTAL RECOVERY CHARGE:** See Sheet Nos. 6.020 and 6.022

**FLORIDA GROSS RECEIPTS TAX:** See Sheet No. 6.023

**FRANCHISE FEE:** See Sheet No. 6.023

**PAYMENT OF BILLS:** See Sheet No. 6.023

**STORM PROTECTION PLAN RECOVERY PLAN:** See Sheet Nos. 6.021 and 6.023

**SPECIAL CONDITIONS:**  
On customer-owned public street and highway lighting systems not subject to other rate schedules, the monthly rate for energy served at primary or secondary voltage, at the company's option, shall be 2.373¢ per kWh of metered usage, plus a Basic Service Charge of \$10.52 per month and the applicable additional charges as specified on Sheet Nos. 6.020, 6.021, 6.022 and 6.023.  
Continued to Sheet No. 6.820

ISSUED BY: A. D. Collins, President

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ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 98

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 4 OF 42  
FILED: AUGUST 06, 2021



FOURTH REVISED SHEET NO. 6.830  
CANCELS THIRD SHEET NO. 6.830

**CUSTOMER SPECIFIED LIGHTING SERVICE**

**SCHEDULE:** LS-2

**AVAILABLE:** Entire service area

**APPLICABLE:**  
Customer Specified Lighting Service is applicable to any customer for the sole purpose of lighting roadways or other outdoor areas. Service hereunder is provided for the sole and exclusive benefit of the customer, and nothing herein or in the contract executed hereunder is intended to benefit any third party or to impose any obligation on the Company to any such third party. At the Company's option, a deposit amount of up to a two (2) month's average bill may be required at anytime.

**CHARACTER OF SERVICE:**  
Service is provided during the hours of darkness normally on a dusk-to-dawn basis. At the Company's option and at the customer's request, the company may permit a timer to control a lighting system provided under this rate schedule that is not used for dedicated street or highway lighting. The Company shall install and maintain the timer at the customer's expense. The Company shall program the timer to the customer's specifications as long as such service does not exceed 2,100 hours each year. Access to the timer is restricted to company personnel.

**LIMITATION OF SERVICE:**  
Installation shall be made only when, in the judgment of the Company, location of the proposed lights are, and will continue to be, feasible and accessible to Company personnel and equipment for both construction and maintenance and such installation is not appropriate as a public offering under LS-1.

**TERM OF SERVICE:**  
Service under this rate schedule shall, at the option of the customer, be for an initial term of twenty (20) years beginning on the date one or more of the lighting equipment is installed, energized, and ready for use and shall continue after the initial term for successive one-year terms until terminated by either party upon providing ninety (90) days prior written notice. Any customer transferring service to the LS-2 rate schedule from the LS1 rate schedule shall continue the remaining primary initial term from LS-1 agreement. The In-Place Value shall be defined by the value of the lighting Equipment when it was first put into service.

**SPECIAL CONDITIONS:**  
On lighting systems not subject to other rate schedules, the monthly rate for energy served at primary or secondary voltage, at the company's option, shall be 2.373¢ per kWh of metered usage, plus a Basic Service Charge of \$10.52 per month and the applicable additional charges as specified on Sheet Nos. 6.020, 6.021, 6.022 and 6.023

Continued to Sheet No. 6.835

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE:

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 99

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 5 OF 42  
FILED: AUGUST 06, 2021



SIXTH REVISED SHEET NO. 7.200  
CANCELS FIFTH REVISED SHEET NO. 7.200

**TAMPA ELECTRIC COMPANY**  
**BRIGHT CHOICES Outdoor Lighting Agreement**

Pursuant to the terms and conditions set forth in this outdoor lighting agreement (the "Agreement"), Tampa Electric Company (the "Company") agrees to provide and \_\_\_\_\_ (Customer Name, Billing Address and Physical Address) \_\_\_\_\_ (the "Customer") agrees to accept and pay for the outdoor lighting services specified below.

**1. Scope of Work**  
The Company shall furnish, install, operate and maintain, the following lighting equipment (all of which, together with accessories, attachments, replacement parts, additions and repairs, shall be referred to herein as "Equipment"): \_\_\_\_\_ at the following location \_\_\_\_\_ ("Installation Site"), subject to the availability of such Equipment, for the term of the Agreement..

**2. System Design and Approval**  
If applicable, based on written lighting system design specifications approved by the Customer and/or the Equipment selected by the Customer, the Company shall prepare and provide the Customer with a copy of the final design and/or sketch at least five (5) business days prior to the commencement of installation of the Equipment at the Installation Site. The final design sketch will conform, to the extent practicable, to the Customer's preferences or preferred design.

If the final design sketch has been provided to the Customer, as required above, and the Customer has not advised the Company of specific changes to be made to the final design sketch at least two (2) days prior to the commencement of work at the Installation Site, then the Customer will be deemed to have consented to the configuration and installation of Equipment pursuant to the final design sketch.

The customer is responsible for indicating the location where the Equipment is to be installed and the direction and orientation of the illumination provided thereby by staking or other clear marking.

**The Equipment shall be repaired or replaced with the closest available light and/or light pole and associated rate(s) should parts or Equipment become unavailable.**

**THE COMPANY MAKES NO WARRANTY, EITHER EXPRESSED OR IMPLIED, INCLUDING AN IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE** of either the Equipment or the lighting design plan pursuant to which the Equipment is installed.

Continued to Sheet No. 7.201

ISSUED BY: A. D. Collins President

DATE EFFECTIVE:

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 100

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 6 OF 42  
FILED: AUGUST 06, 2021



EIGHTH REVISED SHEET NO. 7.201  
CANCELS SEVENTH REVISED SHEET NO. 7.201

Continued from Sheet No. 7.200

- 3. **Damages During Construction**  
The Customer shall be responsible for all costs incurred to repair or replace any Equipment which is damaged by the Customer, its agents, employees, representatives or third parties other than the Company during construction or use of the equipment including but not limited to costs incurred to repair or relocate Equipment to proper depths in response to a lowering of the grade of the soil above any conduit serving the Equipment.
- 4. **Customer Information and Preparation**  
The Customer shall locate and advise the Company, by providing an accurate map and other necessary written descriptions, of the exact location of all underground facilities and equipment including, but not limited to: sewage pipes, septic tanks, wells, swimming pools, sprinkler systems, conduits, cables, valves, lines, fuel storage tanks, and storm drainage systems ("Underground Facilities") at the Installation Site at least two (2) days prior to the commencement of any work by the Company at the Installation Site. Any and all cost or liability for damage to Underground Facilities by the Company that were not properly identified by the Customer, as described under this Paragraph, shall be paid by the Customer.
- 5. **Non-Standard Service Charges**  
The Customer shall pay all costs associated with any additional Company facilities and services that are not considered standard for providing lighting service including, but not limited to: installation of distribution transformers, relays, protective shields, bird deterrent devices, light trespass shields, any devices required by local regulations to control the level or duration of illumination including any associated planning and engineering costs, removal and replacement of pavement required to install underground lighting cable, and directional boring. Charges will also be assessed for light rotations and light pole relocations. The Company will bill the Customer the actual cost of such non-standard facilities and services as incurred.

Continued to Sheet No. 7.202

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE:

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 101

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 7 OF 42  
FILED: AUGUST 06, 2021



EIGHTH REVISED SHEET NO. 7.202  
CANCELS SEVENTH REVISED SHEET NO. 7.202

Continued from Sheet No. 7.201

**6. Customer Contribution in Aid of Construction**  
The Company shall pay for all normal Equipment installation costs, with the exception of the following: \$ \_\_\_\_\_ for \_\_\_\_\_. Refer to Section 5.2.61 of the Tampa Electric Tariff.

**7. Monthly Payment**  
During the term of this Agreement, the Customer shall pay the Company monthly for the lighting services provided pursuant to Rate Schedule LS-1 as the rate schedule, which is on file with the Florida Public Service Commission, may be amended from time to time. All bills shall be due when rendered.

The current monthly base charges for equipment installed under this agreement are \_\_\_\_\_. Fuel and other adjustment clause charges and (where applicable) franchise fees and taxes per month under current tax rates pursuant to the Rate Schedule shall be \_\_\_\_\_. The total monthly charge shall be \_\_\_\_\_ per month.

The Company may request that Customer provide a cash deposit equal to two (2) months service under this Agreement.

The monthly charges specified in this agreement are tied to the tariff charges currently on file with the Florida Public Service Commission and may change during the term of this Agreement in accordance with filed changes to the relevant tariffs.

**8. Term**  
This Agreement shall be effective on the later of the dates indicated on the signature block ("Effective Date") and shall remain in force for a primary term of \_\_\_\_ year(s) (the "Primary Term" as provided in the applicable Rate Schedule \_\_\_\_\_) beginning on the date one or more of the Equipment is installed and, if applicable, at least one light is energized and ready for use and shall continue thereafter for successive one-year terms (each, a "Renewal Term") until terminated by either party upon providing the other party with ninety (90) days prior written notice of termination.

**9. Limitation on Damages**  
The Company will furnish electricity to operate the Equipment for dusk to dawn service or less, depending on the controlling device, each calendar year. The Company will use reasonable diligence at all times to provide continuous operation during the term. The Company shall not be liable to the Customer for any damages arising from complete or partial failure or interruption of service, shut down for repairs or adjustments, delay in providing or restoring service, or for failure to warn of any interruption of service or lighting causes beyond its control or from the negligence of the.

**10. Indemnification**  
Except for those claims, losses and damages arising out of Company's sole negligence, the Customer agrees to defend, at its own expense, and indemnify the Company for any and all claims, losses and damages, including attorney's fees and costs, which arise or are alleged to have arisen out of furnishing, design, installation, operation, maintenance or removal of the Equipment. The

Continued to Sheet No. 7.203

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE:

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 102

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 8 OF 42  
FILED: AUGUST 06, 2021



SEVENTH REVISED SHEET NO. 7.203  
CANCELS SIXTH REVISED SHEET NO. 7.203

Continued from Sheet No. 7.202

phrase "property damage" includes, but is not limited to, damage to the property of the Customer, the Company, or any third parties. For purposes of this indemnification, the "Company" shall be defined as Tampa Electric Company, its parent, Emera Inc., and all subsidiaries and affiliates thereof, and each of their respective officers, directors, affiliates, insurers, representatives, agents, servants, employees, contractors, or parent, sister, or successor corporations.

- 11. Outage Notification**  
The Customer shall be responsible for monitoring the function of the Equipment and for notifying the Company of all Equipment outages.
- 12. Tree Trimming**  
Failure of the Customer to maintain adequate clearance (e.g. trees and other vegetation) around the Equipment may cause illumination obstruction and/or a delay in requested repairs or required maintenance.
- 13. Termination, Removal**  
The Customer shall have the right to terminate this Agreement without any liability or obligation to the Company during the three (3) business day period following the Effective Date ("Initial Termination Period"), provided that written notice of such termination is received by the Company no later than the close of business on the third business day following the Effective Date. In addition, the Customer may terminate this Agreement during the period that commences at the close of the Initial Termination Period and ends at 5:00 p.m. on the business day immediately preceding the date on which installation of the Equipment at the Installation Site is scheduled to commence ("Final Termination Period"), provided that written notice of such termination is received by the Company no later than 5:00 p.m. on the business day immediately preceding the date on which installation of the Equipment commences and, provided further, that the Customer reimburses the Company for any costs incurred by the Company up to the time of the termination by the Customer. These costs include, but are not limited to, shipping and storeroom handling cost for items purchased pursuant to or in contemplation of the Agreement, restocking fees on returned purchases, the cost of purchased Equipment that cannot be returned, or in the Company's sole judgment, reasonably absorbed in current inventory, and engineering time. The Customer may not terminate this Agreement once installation of the Equipment has commenced.  
  
The company may, at its option and on five (5) days written notice to Customer, terminate this agreement in the event that:
  - (a) the Customer fails to pay the Company for any of the services provided herein;
  - (b) the Customer violates the terms of this agreement;
  - (c) a petition for adjudication of bankruptcy or for reorganization or rearrangement is filed by Customer pursuant to any federal or state bankruptcy law or similar federal or state law; or
  - (d) a trustee or receiver is appointed to take possession of the Installation Site (or if Customer is a tenant at the Installation Site, tenant's interest in the Installation Site) and possession is not restored to Tenant within thirty (30) days.

Continued to Sheet No. 7.204

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE:

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 103

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 9 OF 42  
FILED: AUGUST 06, 2021



EIGHTH REVISED SHEET NO. 7.204  
CANCELS SEVENTH REVISED SHEET NO. 7.204

Continued from Sheet No. 7.203

If such termination occurs prior to the expiration of the Primary Term, the Customer agrees to pay the Company, as liquidated damages, an amount equal to the net present value of the monthly rate for each service taken, less all applicable fuel and other adjustment clause charges, and (where applicable) franchise fees and taxes, for each month of the unexpired Primary Term.

**14. Easements**

The Property Owner identified on the signature page hereto covenants that it owns or controls the Installation Site and is authorized to grant the Company an easement to permit performance of the Agreement. The Customer and the Property Owner of the Installation Site, if other than the Customer (individually, the "Grantor" collectively, the "Grantors"), hereby grant the Company a **Non-exclusive Easement** for ingress and egress over and under the Installation Site for installation, inspection, operation, maintenance, repair, replacement, and removal of the Equipment. The Non-exclusive Easement shall terminate upon the Company's removal of the Equipment. The Equipment shall remain the Company's personal property, notwithstanding the manner or mode of its attachment to the Installation Site and shall not be deemed fixtures. Any claim(s) that the Company has or may hereafter have with respect to the Equipment shall be superior to any lien, right or claim of any nature that any Grantor or anyone claiming through Grantor now has or may hereafter have with respect to the Equipment by law, agreement or otherwise.

In the event that this agreement is terminated pursuant to Paragraph 14 or expires pursuant to Paragraph 10, each of the Grantors expressly grants the Company or its assigns or agents the continued right of entry at any reasonable time to remove the Equipment, or any part hereof, from the Installation Site. The Company shall not be responsible for any reasonable property damage caused at and around the Installation Site, arising from Company exercising its rights under this easement. The Grantors, individually or collectively, shall make no claim whatsoever to the Equipment or any interest or right therein.

**15. Physical Alterations and Attachments**

In no event shall the Customer, or any other Grantor, alter, place upon or attach, or allow others to alter, place upon or attach to the Equipment, except with the Company's prior written consent and as set forth in applicable Tampa Electric guidelines, any sign or device of any nature, or place, install or permit to exist, anything, including trees or shrubbery, which would interfere with the Equipment or tend to create a dangerous condition. The Company is hereby granted the right to remove, without liability to Company, anything altered, placed, installed, or existing in violation of this paragraph, with such removal cost being paid by the Customer.

Should such application to attach be made by a party other than the Customer, the initiating party shall obtain additional written approval from the Customer to attach to the specific Equipment as identified by the pole tag number. Such approval of the Customer must be provided to the Company before final approval is granted for physical attachment.

Continued to Sheet No. 7.205

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE:

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 104

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 10 OF 42  
FILED: AUGUST 06, 2021



TENTH REVISED SHEET NO. 7.205  
CANCELS NINTH REVISED SHEET NO. 7.205

Continued from Sheet No. 7.204

- 16. Insurance**  
Customer and/or Property Owner, at his sole cost and expense, shall maintain insurance, in amounts and under policy forms reasonable and prudent for the type of property on which the Equipment is installed at all times during the life of this Agreement. Failure to provide insurance in accordance with this Section shall constitute a material breach of this Agreement.
- 17. Light Trespass**  
Customer acknowledges and agrees that the Customer is solely responsible for specifying the general location of the Equipment and the direction and orientation of the illumination provided thereby. The Company will not be required to install or continue to operate the Equipment at any location where the service may be or has become objectionable to others. If removal of any Equipment is the only practicable resolution of the objection, such removal will be deemed a termination prior to the expiration of the Primary Term as provided in Paragraph 15 and Customer promptly shall pay the Company the liquidated damages specified therein for the percentage or portion of the Equipment that must be removed.
- 18. Assignments**  
This Agreement shall inure to the benefit of, and be binding upon, the respective heirs, legal representatives, successors and assigns of the parties hereto. This Agreement may not be assigned by Customer in whole, and Customer shall not be released from the obligations hereunder, except with the written consent of Company, in its sole discretion, or by transfer of title to the property. In the event of an assignment, the assignee may be substituted herein for the Customer and/or other Grantor with respect to all Customer rights and obligations, but the initial Customer shall not be released from the obligations of this Agreement except by a separate writing from the Company in the Company's sole discretion.
- 19. Authority**  
Customer and Property Owner respectively warrants the signatory(ies) hereto are authorized to sign on behalf of and has full power and authority to bind Customer, and Property Owner as applicable, and its heirs, legal representatives, successors, and assigns of the parties hereto.

Continued to Sheet No. 7.206

ISSUED BY: A. D. Collins, President

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ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 105

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 11 OF 42  
FILED: AUGUST 06, 2021



FOURTH REVISED SHEET NO. 7.206  
CANCELS THIRD REVISED SHEET NO. 7.206

Continued from Sheet No. 7.205

**20. General**

No delay or failure by the Customer or the Company to exercise any right under this Agreement shall constitute a waiver of that or any other right, unless otherwise expressly provided herein.

This Agreement shall be construed in accordance with and governed by the laws of the State of Florida.

**IN WITNESS WHEREOF**, the parties, each of whom represents and warrants that he or she is duly authorized to execute this Agreement, have caused this instrument to be executed in due form of law.

Customer: \_\_\_\_\_  
By/Title: \_\_\_\_\_  
Name (print): \_\_\_\_\_  
Signature: \_\_\_\_\_  
Date: \_\_\_\_\_  
Phone #: \_\_\_\_\_  
Email: \_\_\_\_\_

Tampa Electric Company Representative:  
By/Title: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Department: \_\_\_\_\_  
Date: \_\_\_\_\_

Property Owner: \_\_\_\_\_  
By/Title: \_\_\_\_\_  
Name (print): \_\_\_\_\_  
Signature: \_\_\_\_\_  
Date: \_\_\_\_\_  
Phone #: \_\_\_\_\_  
Email: \_\_\_\_\_

Tampa Electric Company Manager:  
By/Title: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Department: \_\_\_\_\_  
Date: \_\_\_\_\_

Witness to Property Owner Signature:  
\_\_\_\_\_

Contract No. \_\_\_\_\_

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE:



ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 106

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 12 OF 42  
FILED: AUGUST 06, 2021



ORIGINAL SHEET NO. 7.215

Contract No:	
Work Request No:	
Billing Customer of Record:	
Billing Address:	
Tax ID#:	

**TAMPA ELECTRIC COMPANY**  
**BRIGHT CHOICES Outdoor Lighting Agreement – Small Residential**

Pursuant to the terms and conditions set forth in this outdoor lighting agreement (the "Agreement"), and the Tampa Electric Tariff between Sheet No. 7.215 and Sheet No. 7.245 Tampa Electric Company (the "Company") agrees to provide and \_\_\_\_\_ (Customer Name, Billing Address and Physical Address) \_\_\_\_\_ (the "Customer") agrees to accept and pay for the outdoor lighting services specified below. This Agreement shall only be used for individual, residential property owners, residing at the Installation Site and purchasing equipment costing less than ten thousand dollars (\$10,000).

**1. Scope of Work**  
The Company shall furnish, install, operate and maintain, the following lighting equipment (all of which, together with accessories, attachments, replacement parts, additions and repairs, shall be referred to herein as "Equipment"): \_\_\_\_\_ at the following location \_\_\_\_\_ ("Installation Site"), subject to the availability of such Equipment, for the term of the Agreement.

**2. System Design and Approval**  
If applicable, based on written lighting system design specifications approved by the Customer and/or the Equipment selected by the Customer, the Company shall prepare and provide the Customer with a copy of the final design and/or sketch at least five (5) business days prior to the commencement of installation of the Equipment at the Installation Site. The final design sketch will conform, to the extent practicable, to the Customer's preferences or preferred design.

If the final design sketch has been provided to the Customer, as required above, and the Customer has not advised the Company of specific changes to be made to the final design sketch at least two (2) days prior to the commencement of work at the Installation Site, then the Customer will be deemed to have consented to the configuration and installation of Equipment pursuant to the final design sketch.

The customer is responsible for indicating the location where the Equipment is to be installed and the direction and orientation of the illumination provided thereby by staking or other clear marking.

The customer is responsible for the general location via indication by staking or other appropriate method of the Equipment and the direction and orientation of the illumination provided thereby.

Continued to Sheet No. 7.220

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE:

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 107

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 13 OF 42  
FILED: AUGUST 06, 2021



ORIGINAL SHEET NO. 7.220

Continued from Sheet No. 7.215

If the final design sketch has been provided to the Customer, as required immediately above, and the Customer has not advised the Company of specific changes to be made to the final design sketch prior to the commencement of work at the Installation Site, then the Customer will be deemed to have consented to the configuration and installation of Equipment pursuant to the final design sketch. The final design sketch will conform, to the extent practicable, to the Customer's preferences or preferred design.

The Equipment shall be repaired or replaced with the closest available light and/or light pole and associated rate(s) should parts or Equipment become unavailable.

THE COMPANY MAKES NO WARRANTY, EITHER EXPRESSED OR IMPLIED, INCLUDING AN IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE of either the Equipment or the lighting design plan pursuant to which the Equipment is installed.

3. Damages

The Customer shall be responsible for all costs incurred to repair or replace any Equipment which is damaged by the Customer, its agents, employees, representatives or third parties other than the Company during construction of Customer's facilities including but not limited to costs incurred to repair or relocate Equipment to proper depths in response to a lowering of the grade of the soil above any conduit serving the Equipment.

4. Customer Information and Preparation

The Customer shall locate and advise the Company, through the provision of an accurate map and other necessary written descriptions, of the exact location of all underground facilities including, but not limited to: sewage pipes, septic tanks, wells, swimming pools, sprinkler systems, conduits, cables, valves, lines, fuel storage tanks, and storm drainage systems ("Underground Facilities") at the Installation Site at least two (2) days prior to the commencement of any work by the Company at the Installation Site. Any and all cost or liability for damage to Underground Facilities by the Company that were not properly identified by the Customer, as described under this Paragraph, shall be paid by the Customer. Except for those claims, losses and damages arising out of Company's sole negligence, the Customer agrees to defend, at its own expense, and indemnify the Company for any and all claims, losses and damages, including attorney's fees and costs, which arise or are alleged to have arisen out of furnishing, design, installation, operation, maintenance or removal of the Equipment. The phrase "property damage" includes, but is not limited to, damage to the property of the Customer, the Company, or any third parties. For purposes of this indemnification, and the exculpation of liability provided below, the "Company" shall be defined as Tampa Electric Company, its parent, Emera, Inc., and all subsidiaries and affiliates thereof, and each of their respective officers, directors, affiliates, insurers, representatives, agents, servants, employees, contractors, or parent, sister, of successor corporations.

Continued to Sheet No. 7.225

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE:

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 108

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 14 OF 42  
FILED: AUGUST 06, 2021



ORIGINAL SHEET NO. 7.225

Continued from Sheet No. 7.220

Exculpation of liability shall include those claims, losses and damages arising out of Company's sole negligence, the Customer agrees to defend, at its own expense, and indemnify the Company for any and all claims, losses and damages, including attorney's fees and costs, which arise or are alleged to have arisen out of furnishing, design, installation, operation, maintenance or removal of the Equipment. The phrase "property damage" includes, but is not limited to, damage to the property of the Customer, the Company, or any third parties.

**5. Location of Equipment**

If applicable, the Customer shall stake the locations of Equipment on roadways and commercial property prior to the installation of the Equipment by the Company. To assist the Customer with the staking process, the Company shall provide the Customer with an approved design sketch that reflects the Equipment locations approved by the Customer.

**6. Non-Standard Service Charges**

The Customer shall pay all costs associated with any additional Company facilities and services that are not considered standard for providing lighting service including, but not limited to: installation of distribution transformers, relays, protective shields, bird deterrent devices, light trespass shields, any devices required by local regulations to control the level or duration of illumination including any associated planning and engineering costs, removal and replacement of pavement required to install underground lighting cable, and directional boring. Charges will also be assessed for light rotations and light pole relocations. The Company will bill the Customer the actual cost of such nonstandard facilities and services as incurred.

**7. Customer Contribution in Aid of Construction**

The Company shall pay for all normal Equipment installation costs, with the exception of the following: \$\_\_\_\_\_ for \_\_\_\_\_. Refer to Section 5 2.6.1 of the Tampa Electric Tariff. If applicable, a final invoice or partial refund shall be issued to the Customer based upon deviations of actual costs in relation to the estimated customer contribution. CIAC payment to satisfy actual costs are non-refundable.

**8. Monthly Payment**

During the term of this Agreement, the Customer shall pay the Company monthly for the lighting services provided pursuant to Rate Schedule LS-1 as the rate schedule, which is on file with the Florida Public Service Commission, may be amended from time to time. All bills shall be due when rendered.

The current monthly base charges for facilities the "Equipment" installed under this agreement are. Fuel and other adjustment clause charges and (where applicable) franchise fees and taxes per month under current tax rates pursuant to the Rate Schedule shall be. The total monthly charge shall be per month.

Continued to Sheet No. 7.230

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE:

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 109

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 15 OF 42  
FILED: AUGUST 06, 2021



ORIGINAL SHEET NO. 7.230

Continued from Sheet No. 7.225

The monthly charges specified in this agreement are tied to the tariff charges currently on file with the Florida Public Service Commission and may change during the term of this Agreement in accordance with filed changes to the relevant tariffs.

**9. Term**

There is no Primary Term associated with this agreement. This Agreement shall be effective on the later of the dates indicated on the signature block ("Effective Date") and shall remain in force for a primary term of ten (10) year(s) (the "Primary Term") beginning on the date one or more of the Equipment is installed and, if applicable, at least one light is energized and ready for use and shall continue thereafter for successive one year terms (each, a "Renewal Term") until terminated by either party upon providing the other party with ninety (90) days prior written notice of termination. [This Agreement shall be effective on the later of the dates indicated on the signature block ("Effective Date") and shall remain in force as long as the Customer continues to pay the monthly charges pursuant to this agreement or ten (10) years, whichever occurs first. After the initial 10-year period, the Agreement shall continue for successive one year terms until terminated by either party upon providing the other party with written notice.]

**10. Limitation on Damages**

The Company will furnish electricity to operate the Equipment for dusk to dawn service or less, depending on the controlling device, each calendar year. The Company will use reasonable diligence at all times to provide continuous operation during the term. The Company shall not be liable to the Customer for any damages arising from causes beyond its control or from the negligence of the Company including, but not limited to, complete or partial failure or interruption of service, shut down for repairs or adjustments, delay in providing or restoring service, or for failure to warn of any interruption of service or lighting.

Any and all cost or liability for damage to Underground Facilities by the Company that were not properly identified by the Customer, as described under this Paragraph, shall be paid by the Customer. Except for those claims, losses and damages arising out of Company's sole negligence, the Customer agrees to defend, at its own expense, and indemnify the Company for any and all claims, losses and damages, including attorney's fees and costs, which arise or are alleged to have arisen out of furnishing, design, installation, operation, maintenance or removal of the Equipment. The phrase "property damage" includes, but is not limited to, damage to the property of the Customer, the Company, or any third parties.

**11. Outage Notification**

The Customer shall be responsible for monitoring the function of the Equipment and for notifying the Company of all Equipment outages.

**12. Tree Trimming**

Failure of the Customer to maintain adequate clearance (e.g. trees and vegetation) around the Equipment may cause illumination obstruction and/or a delay in requested repairs or required maintenance.

Continued to Sheet No. 7.235

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE:

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 110

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 16 OF 42  
FILED: AUGUST 06, 2021



ORIGINAL SHEET NO. 7.235

Continued from Sheet No. 7.230

**13. Termination, Removal**

The company may, at its option and on five (5) days written notice to Customer, terminate this agreement in the event that:

- (a) the Customer fails to pay the Company for any of the services provided herein;
  - (b) the Customer violates the terms of this agreement;
  - (c) a petition for adjudication of bankruptcy or for reorganization or rearrangement is filed by Customer pursuant to any federal or state bankruptcy law or similar federal or state law; or
  - (d) a trustee or receiver is appointed to take possession of the Installation Site (or if Customer is a tenant at the Installation Site, tenant's interest in the Installation Site) and possession is not restored to Tenant within thirty (30) days.
- The customer messes with our equipment

In the event that the Customer fails to pay the Company for any of the services provided herein, or violates the terms of this agreement, the company may, at its option and on five (5) days written notice to Customer, terminate this agreement. Reference the Tariff for details. If such termination occurs prior to the expiration of the Primary Term, the Customer agrees to pay the Company, as liquidated damages, an amount equal to the net present value of the monthly rate for each service taken, less all applicable fuel and other adjustment clause charges, and (where applicable) franchise fees and taxes, for each month of the unexpired Primary Term.

**14. Easements**

The Property Owner covenants that it owns or controls the Installation Site and is authorized to grant the Company an easement to permit performance of the Agreement. The Customer and the Property Owner of the Installation Site, if other than the Customer (individually, the "Grantor" collectively, the "Grantors"), hereby grant the Company a Non-exclusive Easement for ingress and egress over and under the Installation Site and for installation, inspection, operation, maintenance, repair, replacement, and removal of the Equipment. The Non-exclusive Easement shall terminate upon the Company's removal of the Equipment. The Equipment shall remain the Company's personal property, notwithstanding the manner or mode of its attachment to the Installation Site and shall not be deemed fixtures. Any claim(s) that the Company has or may hereafter have with respect to the Equipment shall be superior to any lien, right or claim of any nature that any Grantor or anyone claiming through Grantor now has or may hereafter have with respect to the Equipment by law, agreement or otherwise.

In the event that this agreement is terminated pursuant to Paragraph 14 or expires pursuant to Paragraph 10, each of the Grantors expressly grants the Company or its assigns or agents the continued right of entry at any reasonable time to remove the Equipment, or any part hereof, from the Installation Site. The Grantors, individually or collectively, shall make no claim whatsoever to the Equipment or any interest or right therein.

Continued to Sheet No. 7.240

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE:

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 111

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 17 OF 42  
FILED: AUGUST 06, 2021



ORIGINAL SHEET NO. 7.240

Continued from Sheet No. 7.235

**15. Physical Alterations and Attachments**

In no event shall the Customer, or any other Grantor, alter, place upon or attach, or allow others to alter, place upon or attach to the Equipment, except with the Company's prior written consent and as set forth in applicable Tampa Electric guidelines, any sign or device of any nature, or place, install or permit to exist, anything, including trees or shrubbery, which would interfere with the Equipment or tend to create a dangerous condition. The Company is hereby granted the right to remove, without liability, anything altered, placed, installed, or existing in violation of this paragraph at the cost to the Customer.

Should such application to attach be made by a party other than the Customer, the initiating party shall obtain additional written approval from the Customer to attach to the specific Equipment as identified by the pole tag number. Such approval of the Customer must be provided to the Company before final approval is granted for physical attachment.

**16. Insurance**

Customer, at his sole cost and expense, shall maintain insurance, in amounts and under policy forms satisfactory to Company at all times during the life of this Agreement. Failure to provide insurance in accordance with this Section shall constitute a material breach of this Agreement.

**17. Amendments**

During the term of this Agreement, Company and Customer may amend or enter into additional addenda to the Agreement ("Addenda") upon the mutual written agreement of both parties in the form of Addendum "A" hereto.

**18. Light Trespass**

Customer acknowledges and agrees that the Customer is solely responsible for specifying the general location of the Equipment and the direction and orientation of the illumination provided thereby. The Company will not be required to install or continue to operate the Equipment at any location where the service may be or has become objectionable to others. If removal of any Equipment is the only practicable resolution of the objection, such removal will be deemed a termination prior to the expiration of the Primary Term as provided in Paragraph 15 and Customer promptly shall pay the Company the liquidated damages specified therein for the percentage or portion of the Equipment that must be removed.

**19. Assignments**

This Agreement shall inure to the benefit of, and be binding upon, the respective heirs, legal representatives, successors and assigns of the parties hereto. This Agreement may be assigned by the Customer only with the Company's prior written consent.

Continued to Sheet No. 7.245

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE:

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 112

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 18 OF 42  
FILED: AUGUST 06, 2021



ORIGINAL SHEET NO. 7.245

Continued from Sheet No. 7.240

In the event of an Assignment, the assignee may be substituted herein for the Customer and/or other Grantor with respect to all Customer rights and obligations, but the initial Customer shall not be released from the obligations of this Agreement except by a separate writing from the Company in the Company's sole discretion

**20. General**  
No delay or failure by the Customer or the Company to exercise any right under this Agreement shall constitute a waiver of that or any other right, unless otherwise expressly provided herein.

This Agreement shall be construed in accordance with and governed by the laws of the State of Florida.

**IN WITNESS WHEREOF**, the parties, each of whom represents and warrants that he or she is duly authorized to execute this Agreement, have caused this instrument to be executed in due form of law.

Customer warrants the signatory(ies) hereto are authorized to sign on behalf of and has full power and authority to bind Customer, its heirs, legal representatives, successors, and assigns of the parties hereto. This Agreement may not be assigned by Customer in whole, and Customer shall not be released from the obligations hereunder, except with the written consent of Company, in its sole discretion, or by transfer of title to the property.

Customer: _____	Tampa Electric Company Representative:
By/Title: _____	By/Title: _____
Name (print): _____	Signature: _____
Signature: _____	Department: _____
Date: _____	Date: _____
Phone #: _____	
Email: _____	

Property Owner: _____	Tampa Electric Company Manager:
By/Title: _____	By/Title: _____
Name (print): _____	Signature: _____
Signature: _____	Department: _____
Date: _____	Date: _____
Phone #: _____	
Email: _____	

Witness to PO signature: \_\_\_\_\_

Contract No. \_\_\_\_\_

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE:

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 113

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 19 OF 42  
FILED: AUGUST 06, 2021



~~FIRST~~SECOND REVISED SHEET NO. 6.800  
CANCELS ORIGINAL ~~FIRST REVISED~~ SHEET  
NO. 6.800

**LIGHTING SERVICE**

**SCHEDULE:** LS-1

**AVAILABLE:** Entire service area

**APPLICABLE:**

Lighting Service is applicable to any customer for the sole purpose of lighting roadways or other outdoor areas. Service hereunder is provided for the sole and exclusive benefit of the customer, and nothing herein or in the contract executed hereunder is intended to benefit any third party or to impose any obligation on the Company to any such third party. At the Company's option, a deposit amount of up to a two (2) month's average bill may be required at anytime.

**CHARACTER OF SERVICE:**

Service is provided during the hours of darkness normally on a dusk-to-dawn basis.

At the Company's option and at the customer's request, the company may permit a timer to control a lighting system provided under this rate schedule that is not used for dedicated street or highway lighting. The Company shall install and maintain the timer at the customer's expense. The Company shall program the timer to the customer's specifications as long as such service does not exceed 2,100 hours each year. Access to the timer is restricted to company personnel.

**LIMITATION OF SERVICE:**

Installation shall be made only when, in the judgment of the Company, location of the proposed lights are, and will continue to be, feasible and accessible to the company equipment and personnel for both construction and maintenance.

**TERM OF SERVICE:**

Service under this rate schedule shall be for an initial term of ten (10) years beginning on the date one or more of the lighting equipment is installed, energized, and ready for use and shall continue thereafter for successive one-year terms until terminated by either party upon providing ninety (90) days prior written notice.

Service under this rate schedule for individual, residential real property owners, residing (or a landlord) at the Installation Site, and purchasing Equipment costing less than ten thousand dollars (\$10,000) shall not have a primary term and instead shall have a month-to-month term that can be terminated by either Party with thirty (30) days written notice and shall be governed by the terms of the Bright Choices Outdoor Lighting Agreement – Individual Residential.

Any existing customer receiving services under the LS-1 rate schedule may elect to transfer services to the LS-2 rate schedule, without penalty, or renewal of primary term. A new LS-2 agreement is not required to initiate the transition, only authorization for the customer in writing.

Continued to Sheet No. 6.805

ISSUED BY: G. L. Gillette, D. Collins,  
President

DATE EFFECTIVE: February 6, 2018



ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 114

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 20 OF 42  
FILED: AUGUST 06, 2021



~~TENTH-ELEVENTH~~ REVISED SHEET NO. 6.815  
CANCELS ~~NINTH-TENTH~~ REVISED SHEET NO. 6.815

Continued from Sheet No. 6.810

**Miscellaneous Facilities Charges:**

Rate Code	Description	Monthly Facility Charge	Monthly Maintenance Charge
563	Timer	\$7.54	\$1.43
569	PT Bracket (accommodates two post top fixtures)	\$4.27	\$0.06

**NON-STANDARD FACILITIES AND SERVICES:**

The customer shall pay all costs associated with additional company facilities and services that are not considered standard for providing lighting service, including but not limited to, the following:

- relays;
- distribution transformers installed solely for lighting service;
- protective shields;
- bird deterrent devices;
- light trespass shields;
- light rotations;
- light pole relocations;
- devices required by local regulations to control the levels or duration of illumination including associated planning and engineering costs;
- removal and replacement of pavement required to install underground lighting cable; and
- ~~directional boring.~~
- ~~Ground penetrating radar (GPR)~~
- ~~Special permitting requirements~~
- ~~49-13. Custom motion of traffic permits~~

**MINIMUM CHARGE:** The monthly charge.

**FUEL CHARGE:** See Sheet Nos. 6.020 and 6.022.

**ENERGY CONSERVATION RECOVERY CHARGE:** See Sheet Nos. 6.021 and 6.022.

**CAPACITY RECOVERY CHARGE:** See Sheet Nos. 6.020 and 6.022

**ENVIRONMENTAL RECOVERY CHARGE:** See Sheet Nos. 6.020 and 6.022

**FLORIDA GROSS RECEIPTS TAX:** See Sheet No. 6.023

**FRANCHISE FEE:** See Sheet No. 6.023

**PAYMENT OF BILLS:** See Sheet No. 6.023

**STORM PROTECTION PLAN RECOVERY PLAN:** See Sheet Nos. 6.021 and 6.023

**SPECIAL CONDITIONS:**  
On customer-owned public street and highway lighting systems not subject to other rate schedules, the monthly rate for energy served at primary or secondary voltage, at the company's option, shall be 2.373¢ per kWh of metered usage, plus a Basic Service Charge of \$10.52 per month and the applicable additional charges as specified on Sheet Nos. 6.020, 6.021, 6.022 and 6.023.

ISSUED BY: ~~N. G. Tower~~ A. D. Collins,  
President

DATE EFFECTIVE: ~~January 1, 2021~~

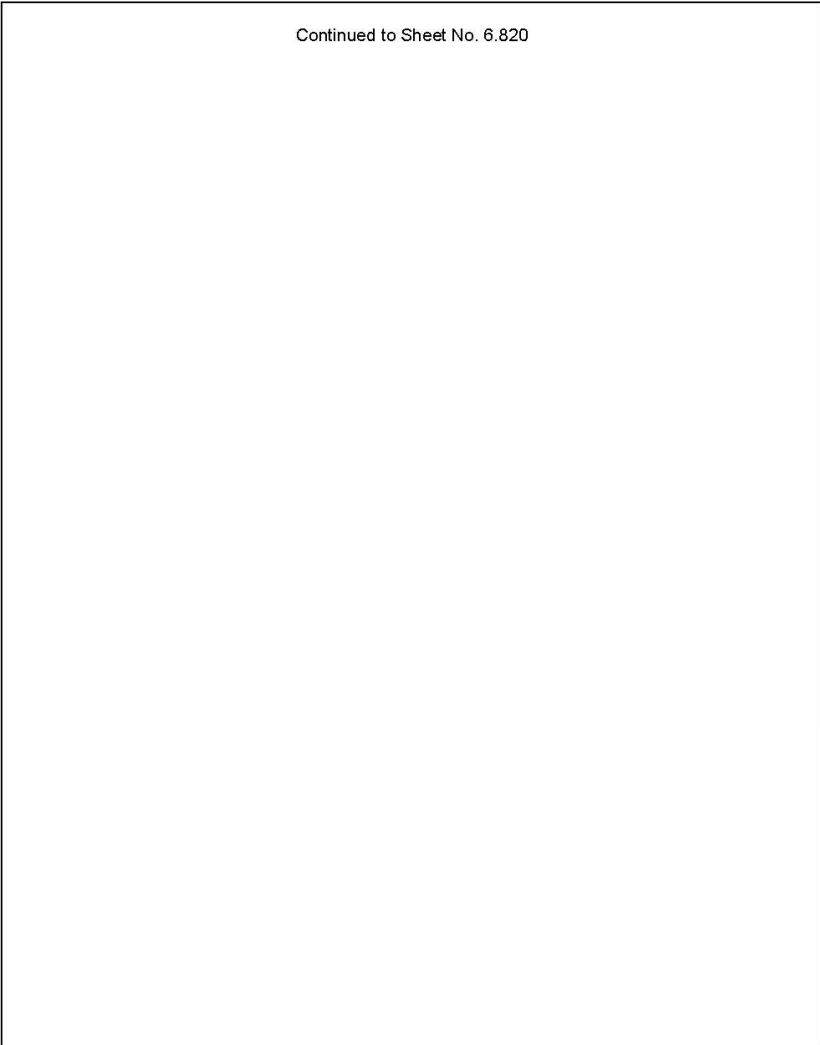
ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 115

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 21 OF 42  
FILED: AUGUST 06, 2021



~~TENTH-ELEVENTH~~ REVISED SHEET NO. 6.815  
CANCELS ~~NINTH-TENTH~~ REVISED SHEET NO. 6.815



ISSUED BY: ~~N. G. Tower~~ A. D. Collins,  
President

DATE EFFECTIVE: ~~January 1, 2021~~

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 116

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 22 OF 42  
FILED: AUGUST 06, 2021



~~THIRD-FOURTH~~ REVISED SHEET NO. 6.830  
CANCELS ~~SECOND-THIRD~~ SHEET NO. 6.830

**CUSTOMER SPECIFIED LIGHTING SERVICE**

**SCHEDULE:** LS-2

**AVAILABLE:** Entire service area

**APPLICABLE:**

Customer Specified Lighting Service is applicable to any customer for the sole purpose of lighting roadways or other outdoor areas. Service hereunder is provided for the sole and exclusive benefit of the customer, and nothing herein or in the contract executed hereunder is intended to benefit any third party or to impose any obligation on the Company to any such third party. At the Company's option, a deposit amount of up to a two (2) month's average bill may be required at anytime.

**CHARACTER OF SERVICE:**

Service is provided during the hours of darkness normally on a dusk-to-dawn basis. At the Company's option and at the customer's request, the company may permit a timer to control a lighting system provided under this rate schedule that is not used for dedicated street or highway lighting. The Company shall install and maintain the timer at the customer's expense. The Company shall program the timer to the customer's specifications as long as such service does not exceed 2,100 hours each year. Access to the timer is restricted to company personnel.

**LIMITATION OF SERVICE:**

Installation shall be made only when, in the judgment of the Company, location of the proposed lights are, and will continue to be, feasible and accessible to Company personnel and equipment for both construction and maintenance and such installation is not appropriate as a public offering under LS-1.

**TERM OF SERVICE:**

Service under this rate schedule shall, at the option of the customer, be for an initial term of twenty (20) years beginning on the date one or more of the lighting equipment is installed, energized, and ready for use and shall continue after the initial term for successive one-year terms until terminated by either party upon providing ninety (90) days prior written notice. Any customer transferring service to the LS-2 rate schedule from the LS1 rate schedule shall continue the remaining primary initial term from LS-1 agreement. The In-Place Value shall be defined by the value of the lighting Equipment when it was first put into service.

**SPECIAL CONDITIONS:**

On lighting systems not subject to other rate schedules, the monthly rate for energy served at primary or secondary voltage, at the company's option, shall be 2.373¢ per kWh of metered usage, plus a Basic Service Charge of \$10.52 per month and the applicable additional charges as specified on Sheet Nos. 6.020, 6.021, 6.022 and 6.023

ISSUED BY: N. G. Tower A. D. Collins,  
President

DATE EFFECTIVE: January 1, 2024

TAMPA ELECTRIC COMPANY  
DOCKET NO. 20240026-EI  
EXHIBIT NO. JC-1  
WITNESS: CHRONISTER  
DOCUMENT NO. 2  
PAGE 117 OF 139  
FILED: 04/02/2024

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 117

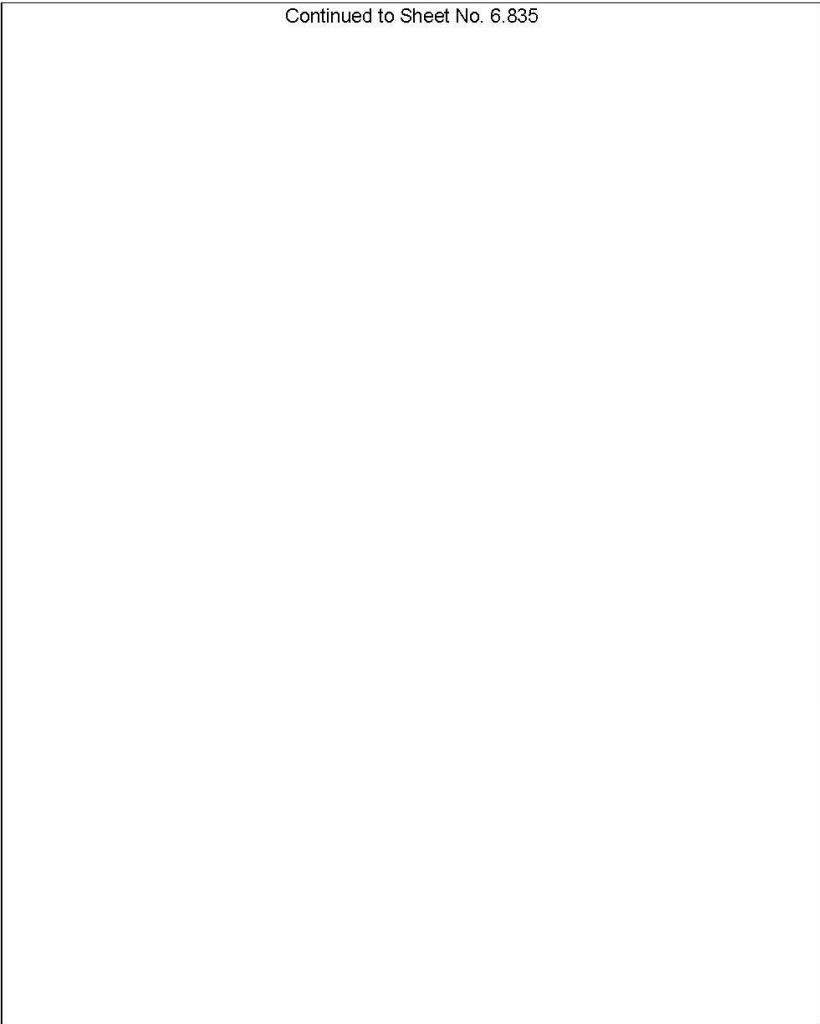
ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 23 OF 42  
FILED: AUGUST 06, 2021



~~THIRD-FOURTH~~ REVISED SHEET NO. 6.830  
CANCELS ~~SECOND-THIRD~~ SHEET NO. 6.830

Continued to Sheet No. 6.835



ISSUED BY: ~~N. G. Tower~~ A. D. Collins,  
President

DATE EFFECTIVE: January 1, 2024

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 118

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 24 OF 42  
FILED: AUGUST 06, 2021



~~FIFTH SIXTH~~ REVISED SHEET NO. 7.200  
CANCELS ~~FOURTH FIFTH~~ REVISED SHEET NO. 7.200

**TAMPA ELECTRIC COMPANY**  
**BRIGHT CHOICES Outdoor Lighting Agreement**

Pursuant to the terms and conditions set forth in this outdoor lighting agreement (the "Agreement"), Tampa Electric Company (the "Company") agrees to provide and \_\_\_\_\_ (Customer Name, Billing Address and Physical Address) \_\_\_\_\_ (the "Customer") agrees to accept and pay for the outdoor lighting services specified below.

**1. Scope of Work**  
The Company shall furnish, install, operate and maintain, the following lighting equipment (all of which, together with accessories, attachments, replacement parts, additions and repairs, shall be referred to herein as "Equipment"): \_\_\_\_\_ at the following location \_\_\_\_\_ ("Installation Site"), subject to the availability of such Equipment, for the term of the Agreement.

**2. System Design and Approval**  
If applicable, based on written lighting system design specifications approved by the Customer and/or the Equipment selected by the Customer, the Company shall prepare and provide the Customer with a copy of the final design and/or sketch at least five (5) business days prior to the commencement of installation of the Equipment at the Installation Site. The final design sketch will conform, to the extent practicable, to the Customer's preferences or preferred design.

If the final design sketch has been provided to the Customer, as required above, and the Customer has not advised the Company of specific changes to be made to the final design sketch at least two (2) days prior to the commencement of work at the Installation Site, then the Customer will be deemed to have consented to the configuration and installation of Equipment pursuant to the final design sketch.

The customer is responsible for indicating the location where the Equipment is to be installed and the direction and orientation of the illumination provided thereby by staking or other clear marking. If the Company is unable to provide all of the Equipment selected by the Customer or the Company is unable to install the selected Equipment in reasonable proximity to the locations identified in the approved design specifications for the initial installation of the Equipment, the Company shall note any material deviations from the approved design specifications or Equipment selections in the final design sketch and if applicable, written notification of any adjustments affecting monthly charges. If the final design sketch has been provided to the Customer, as required immediately above, and the Customer has not advised the Company of specific changes to be made to the final design sketch prior to the commencement of work at the Installation Site, then the Customer will be deemed to have consented to the configuration and installation of Equipment pursuant to the final design sketch. The final design sketch will conform, to the extent practicable, to the Customer's preferences or preferred design.

**The Equipment shall be repaired or replaced with the closest available light and/or light pole and associated rate(s) should parts or Equipment become unavailable.**

ISSUED BY: G. L. Gillette, A. D. Collins  
President

DATE EFFECTIVE: February 6, 2018

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 119

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 25 OF 42  
FILED: AUGUST 06, 2021



~~FIFTH SIXTH~~ REVISED SHEET NO. 7.200  
CANCELS ~~FOURTH FIFTH~~ REVISED SHEET NO. 7.200

THE COMPANY MAKES NO WARRANTY, EITHER EXPRESSED OR IMPLIED, INCLUDING AN IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE of either the Equipment or the lighting design plan pursuant to which the Equipment is installed.

~~3. Change Orders  
The Equipment shall be configured and installed pursuant to the final design sketch. Any change order requested by the Customer after consenting to the final design sketch shall be carried out at the Customer's expense.~~

Continued to Sheet No. 7.201

ISSUED BY: G. L. Gillette, A. D. Collins  
President

DATE EFFECTIVE: February 6, 2018



ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 120

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 26 OF 42  
FILED: AUGUST 06, 2021



~~SEVENTH EIGHTH~~ REVISED SHEET  
NO. 7.201  
CANCELS ~~SIXTH SEVENTH~~  
REVISED SHEET NO. 7.201

Continued from Sheet No. 7.200

- 43. Damages During Construction**  
The Customer shall be responsible for all costs incurred to repair or replace any Equipment which is damaged by the Customer, its agents, employees, representatives or third parties other than the Company during construction or use of Customer's facilities ~~the equipment~~ including but not limited to costs incurred to repair or relocate Equipment to proper depths in response to a lowering of the grade of the soil above any conduit serving the Equipment.
- 45. Customer Information and Preparation**  
The Customer shall locate and advise the Company, through the provision by providing of an accurate map and other necessary written descriptions, of the exact location of all underground facilities and equipment including, but not limited to: sewage pipes, septic tanks, wells, swimming pools, sprinkler systems, conduits, cables, valves, lines, fuel storage tanks, and storm drainage systems ("Underground Facilities") at the Installation Site at least two (2) days prior to the commencement of any work by the Company at the Installation Site. Any and all cost or liability for damage to Underground Facilities by the Company that were not properly identified by the Customer, as described under this Paragraph, shall be paid by the Customer. ~~Except for those claims, losses and damages arising out of Company's sole negligence, the Customer agrees to defend, at its own expense, and indemnify the Company for any and all claims, losses and damages, including attorney's fees and costs, which arise or are alleged to have arisen out of furnishing, design, installation, operation, maintenance or removal of the Equipment. The phrase "property damage" includes, but is not limited to, damage to the property of the Customer, the Company, or any third parties. For purposes of this indemnification, and the exculpation of liability provided in Paragraph 11 of this Agreement, the "Company" shall be defined as Tampa Electric Company, its parent, Emera, Inc., and all subsidiaries and affiliates thereof, and each of their respective officers, directors, affiliates, insurers, representatives, agents, servants, employees, contractors, or parent, sister, or successor corporations.~~
- ~~**6. Location of Equipment**  
If applicable, the Customer shall stake the locations of Equipment on roadways and commercial property prior to the installation of the Equipment by the Company. To assist the Customer with the staking process, the Company shall provide the Customer with an approved design that reflects the Equipment locations approved by the Customer.~~
- 57. Non-Standard Service Charges**  
The Customer shall pay all costs associated with any additional Company facilities and services that are not considered standard for providing lighting service including, but not limited to: installation of distribution transformers, relays, protective shields, bird deterrent devices, light trespass shields, any devices required by local regulations to control the level or duration of illumination including any associated planning and engineering costs, removal and replacement of pavement required to install underground lighting cable, and directional boring. Charges will also be assessed for light rotations and light pole relocations. The Company will bill the Customer the actual cost of such non-standard facilities and services as incurred.

ISSUED BY: ~~G. L. Gillette~~ A. D. Collins,  
President

DATE EFFECTIVE: ~~February 6, 2018~~

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 121

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 27 OF 42  
FILED: AUGUST 06, 2021



~~SEVENTH EIGHTH~~ REVISED SHEET  
NO. 7.201  
CANCELS ~~SIXTH SEVENTH~~  
REVISED SHEET NO. 7.201

Continued to Sheet No. 7.202

ISSUED BY: G. L. Gillette A. D. Collins  
President

DATE EFFECTIVE: February 6, 2018



ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 122

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 28 OF 42  
FILED: AUGUST 06, 2021



~~SEVENTH EIGHTH~~ REVISED SHEET NO. 7.202  
CANCELS ~~SIXTH SEVENTH~~ REVISED SHEET NO. 7.202

Continued from Sheet No. 7.201

**86. Customer Contribution in Aid of Construction**

The Company shall pay for all normal Equipment installation costs, with the exception of the following: \$ \_\_\_\_\_ for \_\_\_\_\_. ~~Refer to Section 5.2.61 of the Tampa Electric Tariff. If applicable, a final invoice or partial refund shall be issued to the Customer based upon deviations of actual costs in relation to the estimated customer contribution. CIAC payment to satisfy actual costs are non-refundable.~~

**79. Monthly Payment**

During the term of this Agreement, the Customer shall pay the Company monthly for the lighting services provided pursuant to Rate Schedule \_\_\_\_\_, LS-1 as the rate schedule, which is on file with the Florida Public Service Commission, may be amended from time to time. All bills shall be due when rendered.

The current monthly base charges for ~~facilities—equipment~~ installed under this agreement are \_\_\_\_\_. Fuel and other adjustment clause charges and (where applicable) franchise fees and taxes per month under current tax rates pursuant to the Rate Schedule shall be \_\_\_\_\_. The total monthly charge shall be \_\_\_\_\_ per month.

~~The Company may request that Customer provide a cash deposit equal to two (2) months service under this Agreement.~~

~~If Applicable, Customer agrees to deposit with the Company, the additional cash sum of \_\_\_\_\_, which is equivalent to approximately two (2) months service under this Agreement, or upon acceptance if the Company so agrees, provide a surety bond or an irrevocable letter of credit from a bank, in favor of the Company in the same amount. The Company will annually credit the Customer's bill with an interest amount, at the rate currently approved by the Florida Public Service Commission, for each deposits received. The currently authorized interest rate is \_\_\_\_%.~~

The monthly charges specified in this agreement are tied to the tariff charges currently on file with the Florida Public Service Commission and may change during the term of this Agreement in accordance with filed changes to the relevant tariffs.

**840. Term**

This Agreement shall be effective on the later of the dates indicated on the signature block ("Effective Date") and shall remain in force for a primary term of \_\_\_\_\_ year(s) (the "Primary Term" as provided in the applicable Rate Schedule \_\_\_\_\_) beginning on the date one or more of the Equipment is installed and, if applicable, at least one light is energized and ready for use and shall continue thereafter for successive one-year terms (each, a "Renewal Term") until terminated by either party upon providing the other party with ninety (90) days prior written notice of termination.

**449. Limitation on Damages**

The Company will furnish electricity to operate the Equipment for dusk to dawn service or less, depending on the controlling device, each calendar year. The Company will use reasonable diligence at all times to provide continuous operation during the term. The Company shall not be liable to the Customer for any damages arising from ~~complete or partial failure or interruption of service, shut down for repairs or adjustments, delay in providing or restoring service, or for failure~~

ISSUED BY: N. G. Tower, A. D. Collins,  
President

DATE EFFECTIVE: February 5, 2019

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 123

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 29 OF 42  
FILED: AUGUST 06, 2021



~~SIXTH-SEVENTH~~ REVISED SHEET NO. 7.202  
CANCELS ~~SIXTH-SEVENTH~~ REVISED SHEET NO. 7.202

~~to warn of any interruption of service or lighting~~ causes beyond its control or from the negligence of the Company including, but not limited to, complete or partial failure or interruption of service, shut down for repairs or adjustments, delay in providing or restoring service, or for failure to warn of any interruption of service or lighting.

**10. Indemnification**

~~Except for those claims, losses and damages arising out of Company's sole negligence, the Customer agrees to defend, at its own expense, and indemnify the Company for any and all claims, losses and damages, including attorney's fees and costs, which arise or are alleged to have arisen out of furnishing, design, installation, operation, maintenance or removal of the Equipment. The~~

Continued to Sheet No. 7.203

ISSUED BY: ~~N. G. Tower~~ A. D. Collins,  
President

DATE EFFECTIVE: ~~February 5, 2019~~

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 124

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 30 OF 42  
FILED: AUGUST 06, 2021



~~SIXTH SEVENTH~~ REVISED SHEET NO. 7.203  
CANCELS ~~FIFTH SIXTH~~ REVISED SHEET NO.  
7.203

Continued from Sheet No. 7.202

phrase "property damage" includes, but is not limited to, damage to the property of the Customer, the Company, or any third parties. For purposes of this indemnification, the "Company" shall be defined as Tampa Electric Company, its parent, Emera Inc., and all subsidiaries and affiliates thereof, and each of their respective officers, directors, affiliates, insurers, representatives, agents, servants, employees, contractors, or parent, sister, or successor corporations.

**121. Outage Notification**

The Customer shall be responsible for monitoring the function of the Equipment and for notifying the Company of all Equipment outages.

**132. Tree Trimming**

Failure of the Customer to maintain adequate clearance (e.g. trees and other vegetation) around the Equipment may cause illumination obstruction and/or a delay in requested repairs or required maintenance.

**143. Termination, Removal**

The Customer shall have the right to terminate this Agreement without any liability or obligation to the Company during the three (3) business day period following the Effective Date ("Initial Termination Period"), provided that written notice of such termination is received by the Company no later than the close of business on the third business day following the Effective Date. In addition, the Customer may terminate this Agreement during the period that commences at the close of the Initial Termination Period and ends at 5:00 p.m. on the business day immediately preceding the date on which installation of the Equipment at the Installation Site is scheduled to commence ("Final Termination Period"), provided that written notice of such termination is received by the Company no later than 5:00 p.m. on the business day immediately preceding the date on which installation of the Equipment commences and, provided further, that the Customer reimburses the Company for any costs incurred by the Company up to the time of the termination by the Customer. These costs include, but are not limited to, shipping and storeroom handling cost for items purchased pursuant to or in contemplation of the Agreement, restocking fees on returned purchases, the cost of purchased Equipment that cannot be returned, or in the Company's sole judgment, reasonably absorbed in current inventory, and engineering time. The Customer may not terminate this Agreement once installation of the Equipment has commenced.

The company may, at its option and on five (5) days written notice to Customer, terminate this agreement in the event that:

- (a) the Customer fails to pay the Company for any of the services provided herein;
- (b) the Customer violates the terms of this agreement;
- (c) a petition for adjudication of bankruptcy or for reorganization or rearrangement is filed by Customer pursuant to any federal or state bankruptcy law or similar federal or state law; or

ISSUED BY: G. L. Gillette, A. D. Collins,  
President

DATE EFFECTIVE: February 6, 2018

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 125

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 31 OF 42  
FILED: AUGUST 06, 2021



~~SIXTH SEVENTH~~ REVISED SHEET NO. 7.203  
CANCELS ~~FIFTH SIXTH~~ REVISED SHEET NO.  
7.203

(d) a trustee or receiver is appointed to take possession of the Installation Site (or if Customer is a tenant at the Installation Site, tenant's interest in the Installation Site) and possession is not restored to Tenant within thirty (30) days.

Continued to Sheet No. 7.204

ISSUED BY: G. L. Gillette, A. D. Collins,  
President

DATE EFFECTIVE: February 6, 2018



ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 126

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 32 OF 42  
FILED: AUGUST 06, 2021



~~SEVENTH EIGHTH~~ REVISED SHEET  
NO. 7.204  
CANCELS ~~SIXTH SEVENTH~~  
REVISED SHEET NO. 7.204

Continued from Sheet No. 7.203

If such termination occurs prior to the expiration of the Primary Term, the Customer agrees to pay the Company, as liquidated damages, an amount equal to the net present value of the monthly rate for each service taken, less all applicable fuel and other adjustment clause charges, and (where applicable) franchise fees and taxes, for each month of the unexpired Primary Term.

**154. Easements**

The Property Owner identified on the signature page hereto covenants that it owns or controls the Installation Site and is authorized to grant the Company an easement to permit performance of the Agreement. The Customer and the Property Owner of the Installation Site, if other than the Customer (individually, the "Grantor" collectively, the "Grantors"), hereby grant the Company a **Non-exclusive Easement** for ingress and egress over and under the Installation Site for installation, inspection, operation, maintenance, repair, replacement, and removal of the Equipment. The Non-exclusive Easement shall terminate upon the Company's removal of the Equipment. The Equipment shall remain the Company's personal property, notwithstanding the manner or mode of its attachment to the Installation Site and shall not be deemed fixtures. Any claim(s) that the Company has or may hereafter have with respect to the Equipment shall be superior to any lien, right or claim of any nature that any Grantor or anyone claiming through Grantor now has or may hereafter have with respect to the Equipment by law, agreement or otherwise.

In the event that this agreement is terminated pursuant to Paragraph 14 or expires pursuant to Paragraph 10, each of the Grantors expressly grants the Company or its assigns or agents the continued right of entry at any reasonable time to remove the Equipment, or any part hereof, from the Installation Site. The Company shall not be responsible for any reasonable property damage caused at and around the Installation Site, arising from Company exercising its rights under this easement. The Grantors, individually or collectively, shall make no claim whatsoever to the Equipment or any interest or right therein.

**156. Physical Alterations and Attachments**

In no event shall the Customer, or any other Grantor, alter, place upon or attach, or allow others to alter, place upon or attach to the Equipment, except with the Company's prior written consent and as set forth in applicable Tampa Electric guidelines, any sign or device of any nature, or place, install or permit to exist, anything, including trees or shrubbery, which would interfere with the Equipment or tend to create a dangerous condition. The Company is hereby granted the right to remove, without liability to Company, anything altered, placed, installed, or existing in violation of this paragraph, with such removal cost being paid by the Customer.

~~Should such a request to physically attach be made to the Company by written application, each request shall be individually reviewed for approval by the Company. Applicable terms and conditions of an attachment approved by the Company shall be memorialize by a separate agreement and shall not supersede the terms and conditions of the Agreement. [X] [X]~~

Should such application to attach be made by a party other than the Customer, the initiating party shall obtain additional written approval from the Customer to attach to the specific Equipment as

ISSUED BY: G. L. Gillette A. D. Collins,  
President

DATE EFFECTIVE: February 6, 2018

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 127

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 33 OF 42  
FILED: AUGUST 06, 2021



~~SEVENTH EIGHTH~~ REVISED SHEET  
NO. 7.204  
CANCELS ~~SIXTH SEVENTH~~  
REVISED SHEET NO. 7.204

identified by the pole tag number. Such approval of the Customer must be provided to the Company before final approval is granted for physical attachment.

Continued to Sheet No. 7.205

ISSUED BY: G. L. Gillette A. D. Collins  
President

DATE EFFECTIVE: February 6, 2018

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 128

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 34 OF 42  
FILED: AUGUST 06, 2021



~~NINTH-TENTH~~ REVISED SHEET NO.  
7.205  
CANCELS ~~EIGHTH-NINTH~~ REVISED  
SHEET NO. 7.205

Continued from Sheet No. 7.204

**167. Insurance**

Customer and/or Property Owner, at his sole cost and expense, shall maintain insurance, in amounts and under policy forms ~~satisfactory to Company reasonable and prudent for the type of property on which the Equipment is installed~~ at all times during the life of this Agreement. Failure to provide insurance in accordance with this Section shall constitute a material breach of this Agreement.

~~18. Amendments~~

~~During the term of this Agreement, Company and Customer may amend or enter into additional addenda to the Agreement ("Addenda") upon the mutual written agreement of both parties in the form of Addendum "A" hereto.~~

**197. Light Trespass**

Customer acknowledges and agrees that the Customer is solely responsible for specifying the general location of the Equipment and the direction and orientation of the illumination provided thereby. The Company will not be required to install or continue to operate the Equipment at any location where the service may be or has become objectionable to others. If removal of any Equipment is the only practicable resolution of the objection, such removal will be deemed a termination prior to the expiration of the Primary Term as provided in Paragraph 15 and Customer promptly shall pay the Company the liquidated damages specified therein for the percentage or portion of the Equipment that must be removed.

~~2018. Assignments~~

This Agreement shall inure to the benefit of, and be binding upon, the respective heirs, legal representatives, successors and assigns of the parties hereto. ~~This Agreement may be assigned by the Customer only with the Company's prior written consent. This Agreement may not be assigned by Customer in whole, and Customer shall not be released from the obligations hereunder, except with the written consent of Company, in its sole discretion, or by transfer of title to the property.~~ In the event of an ~~a~~Assignment, the assignee may be substituted herein for the Customer and/or other Grantor with respect to all Customer rights and obligations, but the initial Customer shall not be released from the obligations of this Agreement except by a separate writing from the Company in the Company's sole discretion.

**19. Authority**

Customer and Property Owner respectively warrants the signatory(ies) hereto are authorized to sign on behalf of and has full power and authority to bind Customer, and Property Owner as applicable, and its heirs, legal representatives, successors, and assigns of the parties hereto.

Continued to Sheet No. 7.206

ISSUED BY: G. L. Gillette A. D. Collins  
President

DATE EFFECTIVE: February 6, 2018

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 129

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 35 OF 42  
FILED: AUGUST 06, 2021



~~THIRD-FOURTH~~ REVISED SHEET  
NO. 7.206  
CANCELS ~~SECOND-THIRD~~  
REVISED SHEET NO. 7.206

Continued from Sheet No. 7.205

**204. General**

No delay or failure by the Customer or the Company to exercise any right under this Agreement shall constitute a waiver of that or any other right, unless otherwise expressly provided herein.

This Agreement shall be construed in accordance with and governed by the laws of the State of Florida.

**IN WITNESS WHEREOF**, the parties, each of whom represents and warrants that he or she is duly authorized to execute this Agreement, have caused this instrument to be executed in due form of law.

Customer: \_\_\_\_\_  
By/Title: \_\_\_\_\_  
Name (print): \_\_\_\_\_  
Signature: \_\_\_\_\_  
Date: \_\_\_\_\_  
Phone #: \_\_\_\_\_  
Email: \_\_\_\_\_

Tampa Electric Company Representative:  
By/Title: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Department: \_\_\_\_\_  
Date: \_\_\_\_\_

Property Owner: \_\_\_\_\_  
By/Title: \_\_\_\_\_  
Name (print): \_\_\_\_\_  
Signature: \_\_\_\_\_  
Date: \_\_\_\_\_  
Phone #: \_\_\_\_\_  
Email: \_\_\_\_\_

Tampa Electric Company Manager:  
By/Title: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Department: \_\_\_\_\_  
Date: \_\_\_\_\_

Witness to Property Owner Signature:

Contract No. \_\_\_\_\_

ISSUED BY: G. L. Gillette A. D. Collins  
President

DATE EFFECTIVE: February 6, 2018



ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 130

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 36 OF 42  
FILED: AUGUST 06, 2021



ORIGINAL SHEET NO. 7.215

<u>Contract No:</u>	
<u>Work Request No:</u>	
<u>Billing Customer of Record:</u>	
<u>Billing Address:</u>	
<u>Tax ID#:</u>	

**TAMPA ELECTRIC COMPANY**  
**BRIGHT CHOICES Outdoor Lighting Agreement – Small Residential**

Pursuant to the terms and conditions set forth in this outdoor lighting agreement (the "Agreement"), and the Tampa Electric Tariff between Sheet No. 7.215 and Sheet No. 7.245 Tampa Electric Company (the "Company") agrees to provide and \_\_\_\_\_ (Customer Name, Billing Address and Physical Address) (the "Customer") agrees to accept and pay for the outdoor lighting services specified below. This Agreement shall only be used for individual, residential property owners residing at the Installation Site and purchasing equipment costing less than ten thousand dollars (\$10,000).

**1. Scope of Work**

The Company shall furnish, install, operate and maintain, the following lighting equipment (all of which, together with accessories, attachments, replacement parts, additions and repairs, shall be referred to herein as "Equipment"):

\_\_\_\_\_ at the following location ("Installation Site"), subject to the availability of such Equipment, for the term of the Agreement.

**2. System Design and Approval**

If applicable, based on written lighting system design specifications approved by the Customer and/or the Equipment selected by the Customer, the Company shall prepare and provide the Customer with a copy of the final design and/or sketch at least five (5) business days prior to the commencement of installation of the Equipment at the Installation Site. The final design sketch will conform, to the extent practicable, to the Customer's preferences or preferred design.

If the final design sketch has been provided to the Customer, as required above, and the Customer has not advised the Company of specific changes to be made to the final design sketch at least two (2) days prior to the commencement of work at the Installation Site, then the Customer will be deemed to have consented to the configuration and installation of Equipment pursuant to the final design sketch.

The customer is responsible for indicating the location where the Equipment is to be installed and the direction and orientation of the illumination provided thereby by staking or other clear marking.

The customer is responsible for the general location via indication by staking or other appropriate method of the Equipment and the direction and orientation of the illumination provided thereby.

Continued to Sheet No. 7.220

**ISSUED BY: A. D. Collins, President**

**DATE EFFECTIVE:**

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 131

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 37 OF 42  
FILED: AUGUST 06, 2021



ORIGINAL SHEET NO. 7.220

Continued from Sheet No. 7.215

If the final design sketch has been provided to the Customer, as required immediately above, and the Customer has not advised the Company of specific changes to be made to the final design sketch prior to the commencement of work at the Installation Site, then the Customer will be deemed to have consented to the configuration and installation of Equipment pursuant to the final design sketch. The final design sketch will conform, to the extent practicable, to the Customer's preferences or preferred design.

The Equipment shall be repaired or replaced with the closest available light and/or light pole and associated rate(s) should parts or Equipment become unavailable.

THE COMPANY MAKES NO WARRANTY, EITHER EXPRESSED OR IMPLIED, INCLUDING AN IMPLIED WARRANTY OF FITNESS FOR A PARTICULAR PURPOSE of either the Equipment or the lighting design plan pursuant to which the Equipment is installed.

**3. Damages**

The Customer shall be responsible for all costs incurred to repair or replace any Equipment which is damaged by the Customer, its agents, employees, representatives or third parties other than the Company during construction of Customer's facilities including but not limited to costs incurred to repair or relocate Equipment to proper depths in response to a lowering of the grade of the soil above any conduit serving the Equipment.

**4. Customer Information and Preparation**

The Customer shall locate and advise the Company, through the provision of an accurate map and other necessary written descriptions, of the exact location of all underground facilities including, but not limited to: sewage pipes, septic tanks, wells, swimming pools, sprinkler systems, conduits, cables, valves, lines, fuel storage tanks, and storm drainage systems ("Underground Facilities") at the Installation Site at least two (2) days prior to the commencement of any work by the Company at the Installation Site. Any and all cost or liability for damage to Underground Facilities by the Company that were not properly identified by the Customer, as described under this Paragraph, shall be paid by the Customer. Except for those claims, losses and damages arising out of Company's sole negligence, the Customer agrees to defend, at its own expense, and indemnify the Company for any and all claims, losses and damages, including attorney's fees and costs, which arise or are alleged to have arisen out of furnishing, design, installation, operation, maintenance or removal of the Equipment. The phrase "property damage" includes, but is not limited to, damage to the property of the Customer, the Company, or any third parties. For purposes of this indemnification, and the exculpation of liability provided below, the "Company" shall be defined as Tampa Electric Company, its parent, Emera, Inc., and all subsidiaries and affiliates thereof, and each of their respective officers, directors, affiliates, insurers, representatives, agents, servants, employees, contractors, or parent, sister, or successor corporations.

Continued to Sheet No. 7.225

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE:



ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 132

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 38 OF 42  
FILED: AUGUST 06, 2021



ORIGINAL SHEET NO. 7.225

Continued from Sheet No. 7.220

Exculpation of liability shall include those claims, losses and damages arising out of Company's sole negligence, the Customer agrees to defend, at its own expense, and indemnify the Company for any and all claims, losses and damages, including attorney's fees and costs, which arise or are alleged to have arisen out of furnishing, design, installation, operation, maintenance or removal of the Equipment. The phrase "property damage" includes, but is not limited to, damage to the property of the Customer, the Company, or any third parties.

**5. Location of Equipment**

If applicable, the Customer shall stake the locations of Equipment on roadways and commercial property prior to the installation of the Equipment by the Company. To assist the Customer with the staking process, the Company shall provide the Customer with an approved design sketch that reflects the Equipment locations approved by the Customer.

**6. Non-Standard Service Charges**

The Customer shall pay all costs associated with any additional Company facilities and services that are not considered standard for providing lighting service including, but not limited to: installation of distribution transformers, relays, protective shields, bird deterrent devices, light trespass shields, any devices required by local regulations to control the level or duration of illumination including any associated planning and engineering costs, removal and replacement of pavement required to install underground lighting cable, and directional boring. Charges will also be assessed for light rotations and light pole relocations. The Company will bill the Customer the actual cost of such nonstandard facilities and services as incurred.

**7. Customer Contribution in Aid of Construction**

The Company shall pay for all normal Equipment installation costs, with the exception of the following: \$ \_\_\_\_\_ for \_\_\_\_\_. Refer to Section 5 2.6.1 of the Tampa Electric Tariff. If applicable, a final invoice or partial refund shall be issued to the Customer based upon deviations of actual costs in relation to the estimated customer contribution. CIAC payment to satisfy actual costs are non-refundable.

**8. Monthly Payment**

During the term of this Agreement, the Customer shall pay the Company monthly for the lighting services provided pursuant to Rate Schedule LS-1 as the rate schedule, which is on file with the Florida Public Service Commission, may be amended from time to time. All bills shall be due when rendered.

The current monthly base charges for facilities the "Equipment" installed under this agreement are. Fuel and other adjustment clause charges and (where applicable) franchise fees and taxes per month under current tax rates pursuant to the Rate Schedule shall be. The total monthly charge shall be per month.

Continued to Sheet No. 7.230

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE:

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 133

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 39 OF 42  
FILED: AUGUST 06, 2021



ORIGINAL SHEET NO. 7.230

Continued from Sheet No. 7.225

The monthly charges specified in this agreement are tied to the tariff charges currently on file with the Florida Public Service Commission and may change during the term of this Agreement in accordance with filed changes to the relevant tariffs.

**9. Term**

There is no Primary Term associated with this agreement. This Agreement shall be effective on the later of the dates indicated on the signature block ("Effective Date") and shall remain in force for a primary term of ten (10) year(s) (the "Primary Term") beginning on the date one or more of the Equipment is installed and, if applicable, at least one light is energized and ready for use and shall continue thereafter for successive one year terms (each, a "Renewal Term") until terminated by either party upon providing the other party with ninety (90) days prior written notice of termination. [This Agreement shall be effective on the later of the dates indicated on the signature block ("Effective Date") and shall remain in force as long as the Customer continues to pay the monthly charges pursuant to this agreement or ten (10) years, whichever occurs first. After the initial 10-year period, the Agreement shall continue for successive one year terms until terminated by either party upon providing the other party with written notice.]

**10. Limitation on Damages**

The Company will furnish electricity to operate the Equipment for dusk to dawn service or less, depending on the controlling device, each calendar year. The Company will use reasonable diligence at all times to provide continuous operation during the term. The Company shall not be liable to the Customer for any damages arising from causes beyond its control or from the negligence of the Company including, but not limited to, complete or partial failure or interruption of service, shut down for repairs or adjustments, delay in providing or restoring service, or for failure to warn of any interruption of service or lighting.

Any and all cost or liability for damage to Underground Facilities by the Company that were not properly identified by the Customer, as described under this Paragraph, shall be paid by the Customer. Except for those claims, losses and damages arising out of Company's sole negligence, the Customer agrees to defend, at its own expense, and indemnify the Company for any and all claims, losses and damages, including attorney's fees and costs, which arise or are alleged to have arisen out of furnishing, design, installation, operation, maintenance or removal of the Equipment. The phrase "property damage" includes, but is not limited to, damage to the property of the Customer, the Company, or any third parties.

**11. Outage Notification**

The Customer shall be responsible for monitoring the function of the Equipment and for notifying the Company of all Equipment outages.

**12. Tree Trimming**

Failure of the Customer to maintain adequate clearance (e.g. trees and vegetation) around the Equipment may cause illumination obstruction and/or a delay in requested repairs or required maintenance.

Continued to Sheet No. 7.235

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE:



ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 134

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 40 OF 42  
FILED: AUGUST 06, 2021



ORIGINAL SHEET NO. 7.235

Continued from Sheet No. 7.230

**13. Termination, Removal**

The company may, at its option and on five (5) days written notice to Customer, terminate this agreement in the event that:

- (a) the Customer fails to pay the Company for any of the services provided herein;
  - (b) the Customer violates the terms of this agreement;
  - (c) a petition for adjudication of bankruptcy or for reorganization or rearrangement is filed by Customer pursuant to any federal or state bankruptcy law or similar federal or state law; or
  - (d) a trustee or receiver is appointed to take possession of the Installation Site (or if Customer is a tenant at the Installation Site, tenant's interest in the Installation Site) and possession is not restored to Tenant within thirty (30) days.
- The customer messes with our equipment

In the event that the Customer fails to pay the Company for any of the services provided herein, or violates the terms of this agreement, the company may, at its option and on five (5) days written notice to Customer, terminate this agreement. Reference the Tariff for details. If such termination occurs prior to the expiration of the Primary Term, the Customer agrees to pay the Company, as liquidated damages, an amount equal to the net present value of the monthly rate for each service taken, less all applicable fuel and other adjustment clause charges, and (where applicable) franchise fees and taxes, for each month of the unexpired Primary Term.

**14. Easements**

The Property Owner covenants that it owns or controls the Installation Site and is authorized to grant the Company an easement to permit performance of the Agreement. The Customer and the Property Owner of the Installation Site, if other than the Customer (individually, the "Grantor" collectively, the "Grantors"), hereby grant the Company a Non-exclusive Easement for ingress and egress over and under the Installation Site and for installation, inspection, operation, maintenance, repair, replacement, and removal of the Equipment. The Non-exclusive Easement shall terminate upon the Company's removal of the Equipment. The Equipment shall remain the Company's personal property, notwithstanding the manner or mode of its attachment to the Installation Site and shall not be deemed fixtures. Any claim(s) that the Company has or may hereafter have with respect to the Equipment shall be superior to any lien, right or claim of any nature that any Grantor or anyone claiming through Grantor now has or may hereafter have with respect to the Equipment by law, agreement or otherwise.

In the event that this agreement is terminated pursuant to Paragraph 14 or expires pursuant to Paragraph 10, each of the Grantors expressly grants the Company or its assigns or agents the continued right of entry at any reasonable time to remove the Equipment, or any part hereof, from the Installation Site. The Grantors, individually or collectively, shall make no claim whatsoever to the Equipment or any interest or right therein.

Continued to Sheet No. 7.240

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE:

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 135

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 41 OF 42  
FILED: AUGUST 06, 2021



ORIGINAL SHEET NO. 7.240

Continued from Sheet No. 7.235

**15. Physical Alterations and Attachments**

In no event shall the Customer, or any other Grantor, alter, place upon or attach, or allow others to alter, place upon or attach to the Equipment, except with the Company's prior written consent and as set forth in applicable Tampa Electric guidelines, any sign or device of any nature, or place, install or permit to exist, anything, including trees or shrubbery, which would interfere with the Equipment or tend to create a dangerous condition. The Company is hereby granted the right to remove, without liability, anything altered, placed, installed, or existing in violation of this paragraph at the cost to the Customer.

Should such application to attach be made by a party other than the Customer, the initiating party shall obtain additional written approval from the Customer to attach to the specific Equipment as identified by the pole tag number. Such approval of the Customer must be provided to the Company before final approval is granted for physical attachment.

**16. Insurance**

Customer, at his sole cost and expense, shall maintain insurance, in amounts and under policy forms satisfactory to Company at all times during the life of this Agreement. Failure to provide insurance in accordance with this Section shall constitute a material breach of this Agreement.

**17. Amendments**

During the term of this Agreement, Company and Customer may amend or enter into additional addenda to the Agreement ("Addenda") upon the mutual written agreement of both parties in the form of Addendum "A" hereto.

**18. Light Trespass**

Customer acknowledges and agrees that the Customer is solely responsible for specifying the general location of the Equipment and the direction and orientation of the illumination provided thereby. The Company will not be required to install or continue to operate the Equipment at any location where the service may be or has become objectionable to others. If removal of any Equipment is the only practicable resolution of the objection, such removal will be deemed a termination prior to the expiration of the Primary Term as provided in Paragraph 15 and Customer promptly shall pay the Company the liquidated damages specified therein for the percentage or portion of the Equipment that must be removed.

**19. Assignments**

This Agreement shall inure to the benefit of, and be binding upon, the respective heirs, legal representatives, successors and assigns of the parties hereto. This Agreement may be assigned by the Customer only with the Company's prior written consent.

Continued to Sheet No. 7.245

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE:

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 136

ATTACHMENT A

EXHIBIT L TO 2021 AGREEMENT  
PAGE 42 OF 42  
FILED: AUGUST 06, 2021



ORIGINAL SHEET NO. 7.245

Continued from Sheet No. 7.240

In the event of an Assignment, the assignee may be substituted herein for the Customer and/or other Grantor with respect to all Customer rights and obligations, but the initial Customer shall not be released from the obligations of this Agreement except by a separate writing from the Company in the Company's sole discretion

**20. General**

No delay or failure by the Customer or the Company to exercise any right under this Agreement shall constitute a waiver of that or any other right, unless otherwise expressly provided herein.

This Agreement shall be construed in accordance with and governed by the laws of the State of Florida.

IN WITNESS WHEREOF, the parties, each of whom represents and warrants that he or she is duly authorized to execute this Agreement, have caused this instrument to be executed in due form of law.

Customer warrants the signatory(ies) hereto are authorized to sign on behalf of and has full power and authority to bind Customer, its heirs, legal representatives, successors, and assigns of the parties hereto. This Agreement may not be assigned by Customer in whole, and Customer shall not be released from the obligations hereunder, except with the written consent of Company, in its sole discretion, or by transfer of title to the property.

Customer: \_\_\_\_\_  
By/Title: \_\_\_\_\_  
Name (print): \_\_\_\_\_  
Signature: \_\_\_\_\_  
Date: \_\_\_\_\_  
Phone #: \_\_\_\_\_  
Email: \_\_\_\_\_

Tampa Electric Company Representative:  
By/Title: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Department: \_\_\_\_\_  
Date: \_\_\_\_\_

Property Owner: \_\_\_\_\_  
By/Title: \_\_\_\_\_  
Name (print): \_\_\_\_\_  
Signature: \_\_\_\_\_  
Date: \_\_\_\_\_  
Phone #: \_\_\_\_\_  
Email: \_\_\_\_\_

Tampa Electric Company Manager:  
By/Title: \_\_\_\_\_  
Signature: \_\_\_\_\_  
Department: \_\_\_\_\_  
Date: \_\_\_\_\_

Witness to PO signature:  
\_\_\_\_\_

Contract No. \_\_\_\_\_

ISSUED BY: A. D. Collins, President

DATE EFFECTIVE:

TAMPA ELECTRIC COMPANY  
DOCKET NO. 20240026-EI  
EXHIBIT NO. JC-1  
WITNESS: CHRONISTER  
DOCUMENT NO. 2  
PAGE 137 OF 139  
FILED: 04/02/2024

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 137

ATTACHMENT B

## **ATTACHMENT B**

Docket Nos. 20210034-EI, 20200264-EI – In re: Petition for rate  
increase by Tampa Electric Company.

TAMPA ELECTRIC COMPANY'S OCTOBER. 14, 2021  
LETTER CLARIFYING CETM REVENUE TRUE-UPS



ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 138

ATTACHMENT B

FILED 10/14/2021  
DOCUMENT NO. 12146-2021  
FPSC - COMMISSION CLERK

**AUSLEY McMULLEN**

ATTORNEYS AND COUNSELORS AT LAW

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TALLAHASSEE, FLORIDA 32301  
(850) 224-9115 FAX (850) 222-7560

October 14, 2021

**VIA: ELECTRONIC FILING**

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

Re: Docket 20210034-EI, Petition for Rate Increase by Tampa Electric Company

Dear Mr. Teitzman:

This letter is a follow up to my letter to you dated October 13, 2021 [DN 12120-2021].

Tampa Electric Company (Tampa Electric" or the "company") has considered the pros and cons of the two options for a more frequent Clean Energy Transition Mechanism ("CETM") revenue true-up specified in my October 13, 2021 letter. To clarify the manner in which the company will implement the 2021 Stipulation and Settlement Agreement as corrected on October 13, 2021 ("2021 Agreement") upon approval, I am authorized to represent that Tampa Electric will true-up its CETM revenues each time its CETM billing factors are updated pursuant to subparagraph 5(d) of the 2021 Agreement, which in general will be every three years except as modified by the timing of a general base rate proceeding. The company will do so by debiting or crediting the accumulated CETM revenue true-up amount (including carrying costs) in the calculation of its proposed updated CETM factors. As noted in my October 13, 2021 letter, the Parties have acknowledged that this approach for implementing the 2021 Agreement is permissible and do not object to it.

As part of this implementation commitment, the company will file its updated CETM factors with a petition to be separately docketed and will serve the Parties to the 2021 Agreement with each CETM factor update filing made pursuant to subparagraph 5(d) of the 2021 Agreement, which filings will include documentation that supports the proposed updated CETM factors and will reflect how the CETM revenue true-up specified in this letter were included in the calculation of the proposed updated CETM factors.

Nothing in this letter modifies subparagraph 5(h) of the 2021 Agreement which specifies the procedure for a Final CETM revenue true-up through the ECCR, or any other provision of the 2021 Agreement.

TAMPA ELECTRIC COMPANY  
DOCKET NO. 20240026-EI  
EXHIBIT NO. JC-1  
WITNESS: CHRONISTER  
DOCUMENT NO. 2  
PAGE 139 OF 139  
FILED: 04/02/2024

ORDER NO. PSC-2021-0423-S-EI  
DOCKET NOS. 20210034-EI, 20200264-EI  
PAGE 139

ATTACHMENT B

Thank you for your assistance in connection with this matter.

Sincerely,



J Jeffrey Wahlen

JJW/ne

cc: Charles Murphy (by email)  
All parties of record (by email)