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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 Archie Collins and Exhibit No. AC-1.

Thank you for your assistance in connection with this matter.

(Document 2 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
ARCHIE COLLINS**

1 **BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

2 **PREPARED DIRECT TESTIMONY**

3 **OF**

4 **ARCHIE COLLINS**

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

7
8 **A.** My name is Archie Collins. My business address is 702 N.
9 Franklin Street, Tampa, Florida 33602. I am employed by
10 Emera Inc. and am seconded to Tampa Electric Company
11 ("Tampa Electric" or the "company") as President and Chief
12 Executive Officer.

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

16
17 **A.** As President and Chief Executive Officer, I report to the
18 Board of Directors of Tampa Electric. I am responsible for
19 all aspects of the company's activities, including safety;
20 customer experience; strategy development; energy supply
21 and delivery; environment compliance and stewardship; and
22 shared services such as Information Technology, Legal,
23 Human Resources, Finance, Facilities, and Procurement. All
24 Tampa Electric officers report to me, and together we lead
25 a team of approximately 2,500 employees.

1 **Q.** Please provide a brief outline of your educational
2 background and business experience.

3
4 **A.** I graduated from St. Francis Xavier University with a
5 diploma in Engineering and from Dalhousie University with
6 a bachelor's degree in chemical engineering.

7
8 I have more than 30 years of experience in the energy
9 industry. Prior to assuming my current role in 2021, I was
10 Chief Operating Officer of the company. I also served as
11 President and Chief Executive Officer of Grand Bahama Power
12 Company and President and Chief Operating Officer of Emera
13 Caribbean. I have also served as Executive Vice President
14 of Commercial Operations for Emera Energy, as Vice
15 President of Operations at Emera Energy, and in senior
16 roles with Nova Scotia Power.

17
18 **Q.** What are the purposes of your direct testimony?

19
20 **A.** Tampa Electric requests that the Florida Public Service
21 Commission ("Commission" or "FPSC") approve a \$296.6
22 million annual increase in the company's retail base rates
23 effective January 1, 2025, and subsequent year incremental
24 rate adjustments for 2026 and 2027 of \$100.1 and \$71.8
25 million, respectively.

1 My direct testimony (1) provides an overview of Tampa
2 Electric;(2) describes our successes transforming the
3 company since our last general base rate proceeding in
4 2021; (3) previews our plans for the future; (4) explains
5 why we are seeking base rate increases in this proceeding
6 and the things we have done to moderate our request; (5)
7 provides an overview of our requests; and (6) highlights
8 how our proposed rate increase for 2025 is expected to
9 impact customers' bills. I also introduce the other
10 witnesses who have filed direct testimony in support of
11 the company's petition and briefly describe the subject
12 matter each witness will cover.

13

14 **Q.** How are typical customer bills in 2025 expected to compare
15 with previous years' bills?

16

17 **A.** Based on our clause factors in effect on January 1, 2024
18 and proposed 2025 base rate increase, we expect typical
19 residential bills to be lower in 2025 than they were in
20 2023.

21

22 **Q.** Have you prepared an exhibit to support your direct
23 testimony?

24

25 **A.** Yes. Exhibit No. AC-1, entitled "Exhibit of Archie

1 Collins," was prepared under my direction and supervision.
2 The contents of my exhibit were derived from the business
3 records of the company and are true and correct to the best
4 of my information and belief. It consists of three
5 documents:

6 Document No. 1 List of Tampa Electric Witnesses and
7 Purpose of their Direct Testimony

8 Document No. 2 List of Minimum Filing Requirement
9 Schedules Sponsored by Archie Collins

10 Document No. 3 Witness Assignments for Minimum Filing
11 Requirement Schedules
12

13 **(1) OVERVIEW OF TAMPA ELECTRIC**

14 **Q.** Please describe Tampa Electric.

15
16 **A.** Tampa Electric was incorporated in Florida in 1899 and was
17 reincorporated in 1949. Tampa Electric is an indirect
18 wholly owned subsidiary of Emera Incorporated. ("Emera").
19 Tampa Electric became part of the Emera family of companies
20 in 2016 when Emera purchased all common stock of TECO
21 Energy, Inc. Tampa Electric is an investor-owned public
22 utility regulated by the Commission and the Federal Energy
23 Regulatory Commission.
24

25 **Q.** What are the company's goals?

1 **A.** Tampa Electric is committed to being a trusted energy
2 partner for our customers now and in the future.

3
4 We have three overall strategic goals: (1) strengthen and
5 modernize our electric grid, (2) provide clean and reliable
6 generation, and (3) create value for customers. Achieving
7 these goals requires operational excellence, which means
8 World Class Safety, embracing innovation, using data and
9 technology to make smart decisions, continuously improving
10 our business processes, putting the right people in the
11 right roles with the right training, and engaging with our
12 communities.

13
14 We focus on carefully and prudently managing our operating
15 expenses and capital spending to ensure public and employee
16 safety, and to meet the growing and changing energy needs
17 in our service territory. We work diligently and
18 thoughtfully to continuously improve the safety,
19 reliability, and resilience of our electric system, improve
20 efficiency in all areas of our operations - especially the
21 generating efficiency of our existing power plants - and
22 ensure that we can continue serving customers at all times
23 regardless of weather conditions. We must also focus on
24 ensuring the continuity, security, and resilience of our
25 business operations.

1 **Q.** Has Tampa Electric been recognized for its storm readiness?

2

3 **A.** Yes. In December 2023, Tampa Electric became the first
4 electric utility in Florida to be recognized as
5 "StormReady" by the National Oceanic and Atmospheric
6 Administration ("NOAA"). This designation signifies that
7 the company is at the forefront of advanced planning,
8 education, and awareness to mitigate the impact of extreme
9 weather events. NOAA assessed various aspects of our storm
10 preparedness, including our proactive communications, our
11 emergency operations center, team member training, 24/7
12 support, and engagement with local community partners. This
13 recognition reflects our commitment to being prepared for
14 whatever Mother Nature may have in store for the company
15 and our customers.

16

17 **Q.** In addition to providing electricity, how does Tampa
18 Electric support the communities it serves?

19

20 **A.** Our team members work and live in the communities we serve,
21 and it is important to Tampa Electric to be a positive
22 force in those communities. Tampa Electric team members
23 provided over 90,000 hours of volunteer service to
24 community groups from 2021 to 2023. Our employees and the
25 company donated more than \$2.3 million to assist customers

1 in need from 2021 to 2023 through our SHARE program.

2
3 The company recognizes the importance of environmental
4 stewardship to our customers, and we show it by pursuing
5 environmentally beneficial projects when doing so makes
6 sense. Some of them, like solar generation, provide direct
7 benefits to our communities through fuel savings and
8 emission reductions.

9
10 Others, like our Manatee Viewing Center, thoughtfully
11 integrate conservation, environmental stewardship, and
12 normal utility operations in beneficial ways. The Manatee
13 Viewing Center is a public education center at Big Bend
14 Power Station that uses the warm water discharge at Big
15 Bend Power Station to provide critical protection from the
16 cold for manatees. This winter, Big Bend Power Station and
17 its state and federally designated manatee sanctuary hosted
18 a record 1,100 manatees and thousands of customers,
19 neighbors, and visitors to the Tampa Bay area.

20
21 **Q.** Please describe Emera.

22
23 **A.** Emera is a geographically diverse energy and services
24 company headquartered in Halifax, Nova Scotia. As of
25 December 31, 2023, it had approximately \$39.5 billion CAD

1 (Canadian dollars) in assets and 2023 revenues of
2 approximately \$7.6 billion CAD. Emera primarily invests in
3 regulated electric and gas utilities, with a strategic
4 focus on transformation as energy markets evolve. Emera
5 has investments throughout North America and in three
6 Caribbean countries.

7
8 **Q.** What is Tampa Electric's legal relationship with Peoples
9 Gas System, Inc.?

10
11 **A.** Peoples Gas System was an operating division of Tampa
12 Electric until January 1, 2023, when its assets,
13 liabilities, and equity were transferred as part of a tax-
14 free exchange to a new corporation named Peoples Gas
15 System, Inc. ("2023 Transaction"). Peoples Gas System, Inc.
16 is an affiliate of Tampa Electric and a local natural gas
17 distribution company regulated by the Commission. Our Vice
18 President Finance, Jeff Chronister discusses the 2023
19 Transaction in his direct testimony.

20
21 **Q.** How many retail customers does Tampa Electric serve?

22
23 **A.** Tampa Electric currently provides retail electric service
24 to approximately 844,000 customers in a service territory
25 covering approximately 2,000 square miles in Hillsborough

1 and portions of Polk, Pasco, and Pinellas counties. We
2 serve these customers with our employees, contractors and
3 the utility facilities described below. Most of our
4 employees work in the areas of Energy Supply, Electric
5 Delivery, and Customer Experience, along with others who
6 work in support areas like Information Technology,
7 Accounting and Finance, Human Resources, and Regulatory
8 Affairs.

9
10 **Q.** Please describe the company's electric generating
11 facilities.

12
13 **A.** The company maintains a diverse portfolio of generating
14 facilities with a net winter capacity of approximately
15 6,433 megawatts ("MW"). Tampa Electric operates three
16 electric generating stations that include fossil steam
17 units, combined cycle units, combustion turbine peaking
18 units, and an integrated gasification combined cycle unit.
19 These units are located at Big Bend Power Station, H.L.
20 Culbreath Bayside Power Station, and Polk Power Station.

21
22 As of January 1, 2024, the company operated about 1,250 MW
23 of solar generating capacity at 22 facilities located
24 throughout its retail service territory and had energy
25 storage capacity of about 13.0 MW_{ac}. During calendar year

1 2023, the company's solar facilities provided
2 approximately 8.6 percent of the company's total energy
3 sales and represented almost 21 percent of the company's
4 installed summer generating capacity. Since 2017, our solar
5 facilities saved our customers approximately \$200 million
6 in fuel expense.

7
8 Our electric generating, energy storage, and solar
9 facilities are part of our Energy Supply area, which is
10 led by our Vice President Energy Supply, Carlos Aldazabal,
11 who discusses Energy Supply in his testimony.

12
13 **Q.** Please describe the company's transmission and
14 distribution system.

15
16 **A.** Tampa Electric's transmission system consists of nearly
17 1,332 circuit miles of overhead facilities, including
18 approximately 25,296 transmission poles and structures,
19 and approximately ten circuit miles of underground
20 facilities.

21
22 The company's distribution system consists of
23 approximately 6,137 circuit miles of overhead facilities,
24 approximately 266,773 poles, and 6,475 circuit miles of
25 underground facilities.

1 Our transmission and distribution systems are connected
2 through 238 substations throughout the company's service
3 territory.

4
5 These systems and substations are part of our Electric
6 Delivery area, which is led by our Vice President Electric
7 Delivery, Chip Whitworth, who discusses Electric Delivery
8 in his testimony.

9
10 **Q.** How important are its employees to the success of Tampa
11 Electric?

12
13 **A.** They are vitally important. Each of our employees impacts
14 the level of customer service we provide. Many of our
15 employees are also customers and many of them work in the
16 field or a customer care center and directly interact with
17 our customers or operate and maintain our electric system.
18 The employees who work in our corporate offices promote
19 excellent customer service by making smart decisions
20 informed by data, spending resources wisely, and preparing
21 for the future. Tampa Electric is committed to providing
22 fair and reasonable compensation to its employees and an
23 opportunity for a life-long career in energy. We also like
24 to provide apprenticeship and cooperative education
25 opportunities to qualified people who are interested in an

1 energy career.

2
3 **(2) SUCCESSES SINCE TAMPA ELECTRIC'S LAST BASE RATE PROCEEDING**

4 **Q.** When did the company last file a petition seeking to
5 increase its general base rates and charges ("rate case")?
6

7 **A.** Tampa Electric last filed a rate case on April 9, 2021, in
8 Docket No. 20210034-EI. The issues in that case were
9 resolved by a unanimous Stipulation and Settlement
10 Agreement ("2021 Agreement") by and between Tampa Electric
11 and the consumer parties that participated in the case.
12 The Commission approved the 2021 Agreement by Order No.
13 PSC-2021-0423-S-EI, issued on November 10, 2021. The
14 company has been operating under its terms since then.
15

16 2021 AGREEMENT

17 **Q.** Please describe the 2021 Agreement.
18

19 **A.** Tampa Electric agreed that the general base rates provided
20 for therein would remain in effect through December 31,
21 2024, and thereafter, until the company's next general base
22 rate case. In addition, the 2021 Agreement:
23

24 (1) set the company's midpoint return on equity at 9.95
25 percent, with the opportunity to earn an additional 25 basis

1 points as a result of a Return on Equity ("ROE") Trigger;

2
3 (2) prescribed a 54 percent equity ratio for all regulatory
4 purposes;

5
6 (3) created the Clean Energy Transition Mechanism ("CETM")
7 that recovers the retirement and dismantlement of Big Bend
8 Units 1, 2, and 3 and retired Automatic Meter Readings
9 assets;

10
11 (4) authorized \$89.7 million and \$21.4 million Generating
12 Base Rate Adjustments ("GBRA") for the Big Bend
13 Modernization Conversion Project and certain solar
14 projects; and

15
16 (5) specified certain cost of service and rate design
17 principles for use during the term of the agreement and for
18 the initial filing in this case.

19
20 **Q.** Did the company increase its base rates as a result of the
21 ROE Trigger?

22
23 **A.** Yes. During the term of the 2021 Agreement, the average 30-
24 year United States Treasury Bond yield rate increased for
25 a period of six (6) consecutive months at least 50 basis

1 points over the yield rate on the date the Commission voted
2 to approve this 2021 Agreement. Tampa Electric requested to
3 implement the "Trigger" provision in paragraph 2 of the
4 2021 Agreement by adjusting the company's authorized ROE by
5 25 basis points to be within a range of 9.25 percent to
6 11.25 percent with a mid-point of 10.20 percent and to make
7 a commensurate increase in base rates and charges. The
8 Commission issued Order No. PSC-2022-0322-FOF-EI on
9 September 12, 2022, approving the company's request.

10
11 **Q.** Has the company experienced challenges during the term of
12 the 2021 Agreement?

13
14 **A.** Yes. Like our customers, Tampa Electric experienced
15 unanticipated levels of general inflation, interest rate
16 increases, insurance premium increases, and challenging
17 labor market conditions. In 2023, our customers experienced
18 higher than normal bills due to the unfortunate combined
19 effects of (1) our recovery in 2023 of higher than expected
20 fuel prices incurred in 2022, (2) the impact of damage from
21 tropical storms on our system, and (3) record-setting heat
22 during the summer months. Our Vice President of Customer
23 Experience, Karen Sparkman, discusses the impact that high
24 customer bills in 2023 had on our customer experience and
25 how we are improving based on the lessons we learned last

1 year.

2

3 **Q.** Has Tampa Electric grown since 2021 when the 2021 Agreement
4 was approved?

5

6 **A.** Yes. We served approximately 800,000 customers in May 2021
7 and employed an average of approximately 2,400 team members
8 in 2021. As of December 2023, we served approximately
9 840,000 customers, and increased to 844,000 by February
10 2024. We expect to serve approximately 854,000 customers
11 by the end of 2024 and 868,000 customers by the end of
12 2025. We employed approximately 2,500 team members in
13 December 2023. We expect our average employee count for
14 2024 to be approximately 2,550 and then to remain at that
15 level during 2025.

16

17 **Q.** Did the 2021 Agreement contain general cost recovery
18 provisions?

19

20 **A.** No. The 2021 Agreement included GBRA for recovering
21 capital investments beyond the 2022 test year but did not
22 include cost recovery for the general capital investments
23 we make each year to operate the company or for the expenses
24 associated with additional employees, so the company had
25 to manage these and other costs during the settlement

1 period.

2

3 Our employee and customer count numbers are discussed
4 further in the direct testimony of Vice President Human
5 Resources Marian Cacciatore and Director Load Research and
6 Forecasting Lori Cifuentes, respectively.

7

8 **Q.** Has the 2021 Agreement served the public interest?

9

10 **A.** Yes. The agreement promoted regulatory certainty and
11 efficiency by eliminating the need to file successive rate
12 cases in 2022 and 2023 and has proven to be in the public
13 interest. The 2021 Agreement allowed the company to improve
14 its safety record; continue to be a solar leader in
15 Florida; continue to transform its generating fleet to be
16 more efficient and reduce fuel costs; improve reliability
17 and resiliency; maintain a strong financial profile and
18 customer service rankings; and maintain sufficient reserve
19 margins. It also enabled the company to improve the
20 efficiency, sufficiency, and adequacy of its facilities
21 and services during the settlement period.

22

23 SAFETY

24 **Q.** Did the challenges described above cause the company's
25 safety record to decline?

1 **A.** No. Safety is still our number one priority, and our
2 results show it.

3
4 We have committed ourselves to achieving World Class
5 safety, and to the beliefs that (1) all injuries are
6 preventable and (2) no business consideration can take
7 priority over safety. Our unwavering focus on safety
8 creates a sense of ownership among our entire team that
9 ultimately benefits our customers.

10
11 Tampa Electric's reportable OSHA incidents declined from
12 24 in 2019 to a low of 17 in 2023. Our OSHA incident rate
13 declined from 1.02 in 2019 to a low of 0.70 in 2023. Our
14 safety efforts and results are discussed further in the
15 testimony of Mr. Aldazabal and Mr. Whitworth.

16
17 SOLAR GENERATION AND ENERGY SUPPLY IMPROVEMENTS

18 **Q.** What solar generation facilities did the company add to
19 its Energy Supply system since 2021?

20
21 **A.** We added approximately 600 MW of solar generating capacity
22 as provided in the 2021 Agreement. With these additions,
23 Tampa Electric's solar facilities can now produce
24 approximately 1,250 MW of electricity, enough to power more
25 than 200,000 homes. We are Florida's top - and the

1 Southeast's second highest - producer of solar energy per
2 customer. About 8.6 percent of the electricity we generated
3 in 2023 came from the sun, and we expect our solar
4 generation to reach approximately 12 percent in 2024. These
5 solar projects have saved our customers more than \$200
6 million in fuel costs since 2017 and help moderate fuel
7 price volatility. These solar additions furthered the goals
8 in Section 366.91(1), Florida Statutes, by developing
9 renewable energy resources and are discussed further in
10 the prepared direct testimony of Mr. Aldazabal and Kris
11 Stryker, Vice President Clean Energy and Emerging
12 Technology.

13
14 **Q.** What other improvements did the company make to its Energy
15 Supply system?

16
17 **A.** We made a number of operational improvement investments,
18 but the biggest was the Big Bend Modernization Project,
19 which also was approved in the 2021 Agreement. As part of
20 this project, the company retired Big Bend Unit 2 and Unit
21 3, refurbished the Big Bend Unit 1 steam turbine and
22 generator, and replaced the Unit 1 boiler and coal
23 processing equipment with two new, highly efficient General
24 Electric 7HA.02 combustion turbines and associated heat
25 recovery steam generators. These changes helped improve

1 our system reliability and operating flexibility, and
2 reduced fuel costs. The combined winter generating capacity
3 of the new units increased from approximately 800 MW to
4 1,120 MW (winter capacity) and reduced their combined heat
5 rates from over 10,500 Btu/kWh to about 6,300 Btu/kWh - a
6 40 percent efficiency gain.

7
8 Another example of our system improvements is the Advanced
9 Gas Path ("AGP") Project at Bayside Power Station, that
10 consists of improvements to the cooling systems, hot
11 section parts redesign, and sealing to maximize output,
12 efficiency, and flexibility at Units 1 and 2. The AGP work
13 at Bayside Unit 1 was completed in 2022 and resulted in
14 increased capacity and greater efficiency for Unit 1.
15 Bayside Unit 2 AGP work will be completed in spring 2024,
16 for a combined 128 MW increase in capacity and heat rate
17 improvement of nearly five percent. The AGP technology
18 improves the flexibility of the units by adding fast start
19 capability, which substantially reduces time to
20 synchronize to the grid.

21
22 The efficiency of our combined generating system has
23 improved by 20 percent since 2017. These changes, along
24 with other improvements and the addition of solar
25 generation, have significantly reduced customers' fuel

1 costs, and reduced annual emissions by about 38 percent
2 since 2017. Presently, about two percent of our
3 electricity is generated using coal, about 86 percent is
4 natural gas-fired, and about 12 percent is from solar.

5
6 Our Energy Supply investments have improved the efficiency,
7 sufficiency, and adequacy of our facilities and services
8 since the company's last case and are explained in the
9 prepared direct testimony of Mr. Aldazabal.

10
11 ELECTRIC DELIVERY AND RELIABILITY IMPROVEMENTS

12 **Q.** What investments did the company make in its Electric
13 Delivery system?

14
15 **A.** We made important investments to improve our customer
16 experience and promote resilience and reliability. We
17 completed our Automated Metering Infrastructure ("AMI")
18 project by installing over 800,000 smart meters and a new
19 distribution communications system, which allows us to
20 identify outages more quickly and has helped moderate O&M
21 expense increases. We also invested in distribution
22 operating technology to improve system reliability. These
23 changes, together with the enhanced vegetation management
24 and grid hardening included in our Commission - approved
25 Storm Protection Plan have improved system reliability.

1 **Q.** Can you quantify Tampa Electric's system reliability
2 improvements?

3
4 **A.** Yes, our reliability has steadily improved since 2021. Our
5 System Average Interruption Duration Index ("SAIDI")
6 improved from a high of 84.5 in 2021 to a low of 57.27 in
7 2023 and our Momentary Average Interruption Frequency Index
8 ("MAIFIe") improved from a high of 6.5 in 2021 to a low of
9 6.44 in 2023. Customers Experiencing More than Five Outages
10 of more than one minute ("CEMI-5") improved from 9,744 in
11 2021 to 1,022 in 2023. Today, the company provides 99.98
12 percent service reliability for its customers.

13
14 **Q.** Did the company make other major improvements to its
15 electric delivery system?

16
17 **A.** Yes. The company replaced all of our street and area lights
18 with smart LED technology. This innovative technology
19 improves visibility, reduces glare, lowers O&M expense,
20 and is more energy efficient than traditional lighting.
21 Keeping the communities we serve well-lit helps keep our
22 roadways safe and promotes public safety.

23
24 All of these investments have improved the efficiency,
25 sufficiency, and adequacy of our facilities and services

1 since the company's last case. Our Electric Delivery system
2 improvements and reliability results are discussed further
3 in the prepared direct testimony of Mr. Whitworth and Tampa
4 Electric witness David Lukcic.

5
6 CUSTOMER EXPERIENCE

7 **Q.** How have the company's customer service rankings changed
8 since 2021?

9
10 **A.** Although our call center performance metrics declined in
11 2023 due to increased call volumes, our J.D. Power ranking
12 for residential customer overall satisfaction has improved
13 from the fourth quartile in 2017 to near the top of the
14 second quartile in 2023.

15
16 We scored better than the industry average for all six J.D.
17 Power measures of customer satisfaction in 2023. Tampa
18 Electric is ranked in the first quartile for
19 Communications, and in the second quartile for four
20 measures, including Power Quality and Reliability, Billing
21 and Payment, Corporate Citizenship, and Customer Care. Our
22 overall business satisfaction measures declined slightly
23 in 2023 but remained above the industry average.

24
25 Ms. Sparkman, explains these rankings and our customer

1 experience performance metrics in her prepared direct
2 testimony.

3
4 **(3) PLANS FOR THE FUTURE**

5 **Q.** What is Tampa Electric planning for the future?

6
7 **A.** Our work to transform our company is not complete. From
8 2024 to 2030, we expect ten percent customer growth, so
9 investing to serve new customers will continue to be a
10 priority. We must plan and invest now to be ready to serve
11 our customers in the future. Our goals are to: (1) become
12 even more reliable, resilient, efficient, and customer-
13 focused, while remaining committed to safety, managing our
14 costs, and providing the kind of positive customer
15 experience our customers expect; (2) strengthen our system
16 and enhance our response to power outages; and (3) focus
17 on generating efficiencies and new energy supply projects
18 that will help reduce the fuel costs our customers pay as
19 part of their monthly bills.

20
21 **Q.** Please summarize the company's future plans.

22
23 **A.** As we look ahead, Tampa Electric plans to:

24
25 (1) Modify existing power plants (Polk Fuel Diversity

1 Project and Polk Unit 1 Flexibility Project) to improve
2 performance and efficiency, increase fuel diversity,
3 reduce fuel costs, increase generating fleet flexibility,
4 and enhance system reliability. Mr. Aldazabal will explain
5 these activities in his direct testimony.

6
7 (2) Add approximately 490 MW of incremental solar
8 generation via eight projects to promote fuel diversity,
9 reduce customer exposure to fuel price volatility, and
10 lower fuel costs on customers' bills. Mr. Stryker will
11 explain these projects in his direct testimony, and Jose
12 Aponte, Manager Resource Planning, will show that these
13 projects are cost-effective additions to our generating
14 fleet. These solar facilities are an efficient use of
15 alternative energy resources and further the goals in
16 Section 366.91(1), Florida Statutes, by developing
17 renewable energy resources in Florida.

18
19 (3) Install a group of small reciprocating electric
20 generators as part of our South Tampa Resilience Project
21 that will help the company avoid costly transmission system
22 upgrades, increase system resilience, and support national
23 security. Mr. Aldazabal will explain this project in his
24 direct testimony, and Mr. Aponte will show that the project
25 is a cost-effective addition to our generating fleet.

1 (4) Construct approximately 115 MW of energy storage
2 capacity as a cost-effective means to maintain winter
3 reserve margins during cold weather events and an efficient
4 use of alternative energy resources. This energy storage
5 will allow us to serve customers with lower-cost energy
6 during winter peaks, and also reduces our reliance on fuels
7 purchased from sources beyond Florida. Mr. Stryker will
8 explain these projects in his testimony, and Mr. Aponte
9 will show that they are needed for winter reserve margin
10 and are cost-effective additions to our generating fleet.
11

12 (5) Enhance our smart grid capabilities by improving our
13 grid communication system and related technologies so our
14 system will automatically respond to outages before crews
15 arrive - allowing troubleshooters to diagnose and repair
16 problems more quickly, which will reduce restoration times
17 and costs. These improvements will be discussed by Mr.
18 Whitworth and Mr. Lukcic, Senior Director Operational
19 Technology and Strategy, in their direct testimony.
20

21 (6) Enhance operational security at critical company
22 facilities by moving our energy control center and
23 corporate offices to more storm-resistant locations that
24 are farther inland and away from potential storm surge and
25 flooding. The Bearss Operations Center and corporate

1 headquarters will improve our access and ability to operate
2 at all times, especially after an extreme weather event,
3 so we can continue to serve our customers when they need
4 us the most. Mr. Aldazabal will explain these projects in
5 his direct testimony.

6
7 (7) Expand our digital and self-service solutions with
8 personalized energy-use insights and energy-saving tools
9 to help customers make informed decisions that save energy
10 and money. We are streamlining our operations to simplify
11 customer interactions and to reduce call volumes and wait
12 times. Ms. Sparkman will explain these and other Customer
13 Experience initiatives in her prepared direct testimony.

14
15 (8) Continue to enhance and strengthen the security of
16 our information technology systems against the ever-
17 growing threat of cyber-security attacks. Chris Heck, our
18 Vice President Information Technology and Chief
19 Information Officer, will describe our efforts in this area
20 in his direct testimony.

21
22 (9) Finally, we will continue to invest in innovative
23 outdoor lighting technology, such as smart network controls
24 that will let us know when a streetlight goes out. Mr.
25 Lukcic will explain these enhancements in his testimony.

1 All of these investments and plans will continue to improve
2 the efficiency, sufficiency, and adequacy of our facilities
3 and services.

4
5 **(4) OUR NEED FOR RATE RELIEF**

6 **Q.** Has the company's financial profile changed since the end
7 of 2021?

8
9 **A.** Yes. Our service territory continues to be one of the
10 fastest growing areas in Florida, which is one of the
11 fastest growing states in America. We have made substantial
12 capital investments to better serve new and existing
13 customers. Major portions of our rate base growth have
14 helped us take advantage of typically low-cost natural gas
15 as our primary fuel source as well as the addition of solar
16 generation, reducing the fuel expenses borne by our
17 customers. Although we are spending more each year to
18 operate and maintain our growing system, our cumulative
19 annual O&M expense growth rate over the past 10 years is
20 only one half of one percent, which is well below customer
21 growth and inflation.

22
23 Our Director Load Research and Forecasting, Lori Cifuentes,
24 will provide more detail on our customer growth and present
25 our 2025 customer, demand, and energy forecast in her

1 testimony. Tampa Electric witness Jeff Chronister, Vice
2 President Finance, will provide more detail on our
3 financial profile changes in his direct testimony.
4

5 **Q.** What are the major factors driving the need for rate
6 relief?
7

8 **A.** Despite our efforts to be efficient and control costs, we
9 expect our earned rate of return on equity to be less than
10 nine percent for 2024, which is well below the current cost
11 of equity and is not a fair and reasonable return.
12

13 The major factors causing the need for rate relief are:
14

15 INFLATION

16 The recent levels of inflation were significantly higher
17 than expected in our last rate case. In that case, the
18 consumer price index ("CPI") increase was projected to be
19 2.5 percent in 2021 and 2.8 percent in 2022. The actual
20 CPI increases for 2021, 2022, and 2023 were 4.7 percent,
21 8.0 percent, and 4.1 percent, respectively, for a 17
22 percent increase over three years. Although the rate of
23 inflation is expected to be lower in the future, the
24 effects of higher prices are here to stay. Inflation has
25 raised both the price of equipment and services needed for

1 capital projects and the company's O&M expenses.

2
3 For example, from 2021 to 2023, the prices Tampa Electric
4 paid for transformers, substation equipment, switchgear,
5 and poles increased by 49 percent, 36 percent, 21 percent,
6 and 34 percent, respectively. The price of Grain Oriented
7 Electrical Steel ("GOES") has doubled since January 2020,
8 and the price of copper has increased by 50 percent over
9 the same period. Distribution line contractor rates have
10 increased over 45 percent since 2021. Property and
11 liability insurance costs increased about 45 percent from
12 2020 to 2023.

13
14 The impact of inflation on the company and its operations
15 are described in the direct testimony of Mr. Chronister,
16 and our operations witnesses Aldazabal, Whitworth,
17 Sparkman, and Heck.

18
19 COST OF CAPITAL AND CAPITAL STRUCTURE

20 As of December 31, 2021, the Federal Reserve rate was 0.08
21 percent and by December 31, 2023, the Federal Reserve
22 increased the rate to about 5.33 percent. The short-term
23 borrowing rates paid by the company reflected this
24 increase; the average short-term debt interest rate for
25 the company was 0.58 percent in 2021 and was 5.70 percent

1 in 2023. These changes in the capital markets have
2 influenced long- and short-term borrowing costs and the
3 cost of common equity.
4

5 An appropriate ROE is essential for a regulated utility to
6 attract the capital necessary to make long-term
7 investments. The company's equity ratio must be set to
8 allow the company to maintain its financial integrity and
9 access capital at competitive rates. Approving a reasonable
10 return on equity and equity ratio will allow the company
11 to make the investments needed to provide customers with
12 reliable service at reasonable rates.
13

14 Mr. Chronister describes the impact of interest rate
15 increases on our operations and supports our proposed
16 short- and long-term debt interest rates in his testimony.
17 He also explains the importance of maintaining the
18 company's financial integrity and how the company's
19 proposed capital structure, which maintains our currently
20 approved equity ratio of 54 percent (investor sources),
21 and revenue increase will help preserve the company's
22 overall financial integrity.
23

24 Company witness Dylan D'Ascendis explains how changes in
25 the capital markets have influenced the cost of equity

1 capital for utilities like Tampa Electric and provides
2 testimony supporting the company's proposed 2025 mid-point
3 return on equity of 11.50 percent.
4

5 CAPITAL INVESTMENTS

6 During the three-year term of the 2021 Agreement, Tampa
7 Electric expects to invest approximately \$3.7 billion to
8 serve new customers; improve reliability, resilience, and
9 efficiency; and ensure that our existing plant investments
10 remain in sound working condition. In 2025, 2026, and 2027,
11 the company expects to invest an average of \$1.6 billion
12 per year for these purposes. The projects included in these
13 investment amounts are explained in the direct testimony
14 of witnesses Aldazabal, Stryker, Whitworth, Lukcic,
15 Sparkman, and Chronister for their areas of responsibility.
16 Mr. Heck and Ms. Cacciatore will do the same for our
17 Information Technology and Human Resource areas,
18 respectively.
19

20 DEPRECIATION EXPENSE AND DISMANTLEMENT COSTS

21 As our investments grow to serve new customers and improve
22 reliability and resilience, so does the level of our
23 depreciation expense. Consistent with the 2021 Agreement,
24 the company filed an updated depreciation and dismantlement
25 study on December 27, 2023 (Docket No. 20230139-EI) which

1 reflects a need to change certain depreciation rates. Tampa
2 Electric witnesses Ned Allis and Jeff Kopp present
3 depreciation and dismantlement studies that support the
4 company's proposed depreciation rates for the 2025 test
5 year. Our Utility Controller, Richard Latta, explains how
6 the company applied the proposed depreciation rates to
7 projected 2025 plant balances to develop the proposed level
8 of depreciation expense included in our revenue requirement
9 calculation.

10
11 OTHER FACTORS

12 In the current inflationary, higher-priced environment,
13 O&M expenses must increase so we can continue to provide
14 safe and reliable service to our customers. The company
15 has been able to manage its overall O&M expense levels
16 through the smart use of technology, its AMI investment,
17 transitioning from coal to natural gas, and reasonable cost
18 management practices; however, the costs of labor,
19 contractors, materials, insurance, and health care
20 benefits have increased.

21
22 Challenging labor markets, explained by Ms. Cacciatore,
23 have created upward pressure on our wage rates; however,
24 the company is committed to fair wages and as Ms.
25 Cacciatore explains in her testimony, the company must

1 continue to compensate our employees in a way that reflects
2 the current market for talent.

3
4 The company has been able to partially offset O&M expense
5 increases through the use of Production Tax Credits
6 ("PTC"), which lower tax expense. Mr. Chronister and Tampa
7 Electric witness Valerie Strickland, Director Corporate
8 Taxes, discuss our use of PTC to reduce our 2025 revenue
9 requirement in their direct testimony.

10
11 **Q.** What actions has the company taken to avoid increasing base
12 rates and to moderate bill increases to customers?

13
14 **A.** The company has taken these specific actions to avoid and
15 mitigate a rate increase:

16
17 (1) We have operated under a general base rate freeze
18 since the end of 2021, agreeing not to seek rate relief
19 during the term of the 2021 Agreement.

20
21 (2) Tampa Electric focused on cost control and financial
22 efficiencies. We have invested in projects to improve
23 operational efficiency and streamline processes, and we
24 have operated with a commitment to cost discipline—all of
25 which have helped us manage the company's overall cost

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profile.

(3) As the company has invested in solar power, we have generated more and more electricity with no fuel costs. Since 2017, our solar projects have saved customers over \$200 million in fuel costs.

(4) We have successfully invested in projects to improve the efficiency (heat rate) of our generation fleet, and the results show. From 2017 to 2023, our overall system heat rate declined 20 percent from 8,488 to 6,755 Btu/kWh. Some of this decline can be attributed to our new solar generation, but most of it is the result of projects like Big Bend Modernization, Bayside AGP investment, and other system improvements, which have generated significant fuel and O&M savings and reduced customer bills. Mr. Aldazabal discusses these efforts and our results in his direct testimony.

(5) Although they are not base rate items, the company exceeded our 2023 expectations for Asset Optimization Mechanism ("AOM") gains and renewable energy credit ("REC") sales. Our customers are credited with a large share of the \$10 million in AOM gains through the fuel adjustment clause and 100 percent of wholesale REC sale proceeds

1 through the environmental cost recovery clause - which will
2 help lower customers' bills. Mr. John Heisey, Director
3 Origination and Trading, discusses these programs and the
4 benefits they provide to customers in his testimony.

5
6 **(5) OUR REQUEST FOR NEW RATES AND CHARGES**

7 **Q.** Please summarize the company's requested base rate
8 increases in this case.

9
10 **A.** The company's request has two parts.

11
12 First, the company requests a \$296.6 million general base
13 rate increase to become effective with the first billing
14 cycle in January 2025. This increase is needed to recover
15 our expected costs of service for our projected 2025 test
16 year and to maintain our financial integrity. Mr. Latta
17 presents and explains the calculation of our 2025 total
18 revenue requirement and our proposed 2025 base rate
19 increase in his testimony. He also explains why our
20 proposed 2025 forecasted test year is reasonable as a test
21 year for ratemaking purposes in this proceeding.

22
23 Second, the company requests two incremental adjustments
24 in base rates and charges to become effective with the
25 first billing cycles of January 2026 and January 2027. Like

1 the GBRA and Solar Base Rate Adjustments ("SoBRA") approved
2 by the Commission in other cases, these subsequent year
3 adjustments ("SYA") are designed to only recover the
4 incremental costs of projects the company will place in
5 service in 2026 and 2027 and are not designed to cover all
6 of the investments we will make or expense increases we
7 expect to experience in 2026 and 2027. Our proposed 2026
8 SYA amount is approximately \$100.1 million and our proposed
9 2027 SYA is \$71.8 million.

10
11 The prudence of assets included in our proposed 2026 and
12 2027 SYA are explained in the direct testimony of witnesses
13 Stryker, Aponte, Aldazabal and Lukcic. Approving our
14 proposed 2026 and 2027 SYA will enable the company, absent
15 unforeseen circumstances, to avoid the administrative
16 burden of annual rate proceedings for three years. Approval
17 will also promote price predictability for customers and
18 promote regulatory efficiency for our customers, the
19 company, and the Commission.

20
21 **Q.** What information has the company filed with the Commission
22 to support these requested rate increases?

23
24 **A.** The company's petition for rate increase was accompanied
25 by (1) the prepared direct testimony of the company's 19

1 witnesses and (2) the minimum filing requirement ("MFR")
2 schedules identified as Exhibit Nos. TEC-1 through TEC-12.
3 The witnesses filing direct testimony and the purposes of
4 their testimony are shown on Document No. 1 of my exhibit.
5 The witnesses sponsoring each MFR schedule are identified
6 in Document No. 3 of my exhibit.
7

8 **Q.** What other significant items are included in the company's
9 request?

10
11 **A.** In addition to our requested base rate increases explained
12 above, Tampa Electric seeks approval to continue its AOM
13 and to reset the company's Clean Energy Transition
14 Mechanism ("CETM") factors approved in the 2021 Agreement.
15 Mr. Heisey explains how the AOM has benefited our customers
16 over the last three years and why it should be extended in
17 his direct testimony. Ms. Ashley Sizemore, Director Rates,
18 will explain our proposed CETM factors and how they comply
19 with the 2021 Agreement in her direct testimony. She will
20 also describe the company's performance under the Florida
21 Energy Efficiency and Conservation Act.
22

23 **Q.** What cost of service methodology and rate design principles
24 has the company used to develop its proposed rates and
25 charges in this case?

1 **A.** The company's proposed rates and charges were developed in
2 accordance with the applicable provisions in paragraph 6(d)
3 of our 2021 Agreement. The company's initial filing also
4 contains the cost of service and rate design information
5 required by the Commission's minimum filing requirement
6 rule.

7
8 In his testimony, Mr. Jordan Williams, Director Pricing
9 and Financial Analysis, explains the cost of service
10 studies, jurisdictional separations studies, rate designs,
11 and proposed rates used in our proposal and initial filing.
12 He will also explain Tampa Electric's proposed service
13 charges and miscellaneous tariff changes, and that the
14 company's proposed customer rates, charges, and tariffs
15 are fair, just, and reasonable, and should be approved.

16
17 **Q.** Does the company's proposed rate design make any special
18 provisions for elderly low-income customers?

19
20 **A.** Yes. As explained further by Mr. Williams, the company
21 seeks approval of its Senior Care program, which will make
22 a \$10 monthly bill credit available to residential customers
23 who are 65 years of age or older and Medicaid eligible. Ms.
24 Sparkman explains the other programs offered by the company
25 to help customers who need assistance paying their electric

1 bill in her testimony.

2

3 **(6) PROJECTED BILL IMPACTS**

4 **Q.** How do the company's expected typical residential bills
5 for 2024 compare to typical 2023 residential bills?

6

7 **A.** We are pleased that our customers are seeing lower electric
8 bills this year. Lower projected fuel prices in 2024, the
9 progress we made in 2023 recovering high fuel costs from
10 2022, and the approval to spread 2022 storm damage costs
11 over a longer period have all combined to generate good
12 news for our customers. In January, our typical residential
13 customer bill decreased by 11 percent, and commercial and
14 industrial customer rates decreased by 10 to 18 percent
15 depending on their usage. Our current 2024 residential bill
16 is the second lowest among Florida's investor-owned
17 electric utilities.

18

19 **Q.** How does the company expect its proposed rate increase for
20 2025 to affect typical customers' bills?

21

22 **A.** Using our clause factors as of January 1, 2024 for 2025,
23 we expect our typical 1,000 kWh residential customer bill
24 in 2025 to be slightly lower than in 2023 and about 12
25 percent higher than in 2024. Our typical residential bills

1 will still be among the lowest in Florida. Mr. Williams
2 will provide more detail on customer class bill impacts in
3 his testimony.

4
5 **Q.** What about typical bills for small commercial customers?

6
7 **A.** Using our clause factors as of January 1, 2024 for 2025,
8 we expect our typical small 1,200 kWh commercial customer
9 (GS) bill in 2025 to be approximately 0.1 percent higher
10 than 2024 and about 10 percent lower than in 2023. Mr.
11 Williams will provide more detail on this topic in his
12 testimony.

13
14 **Q.** Will other changes affect 2025 bills?

15
16 **A.** Yes. The company's storm restoration charge applies through
17 December 2024, so customer bills will be lower in 2025 when
18 that charge ends. Fuel prices have been lower in 2024 than
19 we projected in fall 2023, so we submitted a proposal to
20 lower fuel costs on April 2, 2024. With the reduction in
21 fuel charges and storm restoration charges, 2025
22 residential customer bill increases will be moderated, and
23 2025 small commercial customer bills will decrease compared
24 to their current levels.

25

1 **(7) SUMMARY**

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

3
4 **A.** Tampa Electric understands that there is never a good time
5 to request rate increases and that higher electric rates
6 will impact our customers. However, I am proud of the work
7 we have done as a company to transform our system and serve
8 the over 40,000 net new customers who joined our system
9 since May 2021.

10
11 We have worked diligently and thoughtfully to improve the
12 safety, reliability, and resilience of our electric system,
13 to improve efficiency in all areas of our operations -
14 especially the generating efficiency of our existing power
15 plants - and to ensure that we can continue serving
16 customers at all times regardless of weather conditions.
17 Our future plans will make our system even more reliable,
18 resilient, and efficient.

19
20 The rate relief we are requesting in this case is
21 critically important to enable Tampa Electric to maintain
22 its financial integrity and support the growth of West
23 Central Florida while continuing to meet the expectations
24 of our customers for safe, reliable, and resilient electric
25 service.

1 **Q.** Does this conclude your direct testimony?

2

3 **A.** Yes.

4

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

EXHIBIT

OF

ARCHIE COLLINS

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List of Tampa Electric Witnesses
And Purposes of Their Direct Testimony

Witness	Purposes of Direct Testimony
Archie Collins	(1) provide an overview of Tampa Electric; (2) describe successes transforming the company since last general base rate proceeding in 2021; (3) preview plans for the future; (4) explain why the company is seeking base rate increases and the things it has done to moderate the request; (5) summarize rate increase requests; and (6) highlight how proposed rate increase for 2025 is expected to impact customers' bills
Karen Sparkman	(1) describe Tampa Electric's Customer Experience area and the company's focus on excellent customer service; (2) summarize changes in the Customer Experience area since our last rate case; (3) present and explain the company's customer service results; (4) outline the company's plans to enhance the customer experience it provides; and (5) demonstrate that the company's Customer Experience area rate base amounts and operations and maintenance levels for the 2025 test year are reasonable and prudent. Also discusses the company's programs for low-income customers and proposed miscellaneous tariff changes

Witness	Purposes of Direct Testimony
Carlos Aldazabal	(1) describe Energy Supply system; (2) summarize successes transforming Energy Supply since last rate case, (3) outline future Energy Supply plans; and (4) demonstrate that the Energy Supply rate base amounts and operations and maintenance expense levels for the 2025 test year are reasonable and prudent. Also explains the Polk 1 Flexibility, Polk Fuel Diversity, South Tampa Resilience, Bearss Operations Center, and Corporate Headquarters projects, which are included in the proposed 2026 and 2027 SYA, why these projects are prudent, and how they will benefit customers
Kris Stryker	(1) explain plans to build 488.7 MW of Future Solar Projects; (2) explain plans to build 115 MW of Future Energy Storage Capacity Projects; (3) provide the projected installed costs for the projects; (4) explain investigative work for future environmental compliance; and (5) describe planned emerging technology R&D projects
Jose Aponte	(1) discuss plans to add the Polk 1 Flexibility and South Tampa Resilience projects; (2) show that the Polk 1 Flexibility and South Tampa Resilience projects are cost-effective; (3) discuss plans for 12 projects to add Future Energy Storage capacity and Future Solar projects; and (4) demonstrate that the Future Energy Storage and Future Solar projects are cost-effective

Witness	Purposes of Direct Testimony
Chip Whitworth	(1) describe the company's T&D system; (2) describe the changes to the T&D system since the company's last base rate case; (3) describe future plans for its T&D system and its grid modernization strategy; (4) show that the 2025 T&D construction program and capital budget is reasonable and prudent; and (5) show that the proposed 2025 level of T&D O&M is reasonable and prudent
David Lukcic	(1) describe Operations Technology and Strategy department and Operations Technology ("OT") resources and applications Tampa Electric uses to operate its electric system; (2) explain progress made in the OT area since the company's last base rate case; (3) summarize the department's plans for the future; (4) show that the company's OT capital investments and O&M expense for 2025 are reasonable and prudent; and (5) describe the Grid Reliability and Resilience Project that will be going in service and part of 2026 and 2027 SYA
Chris Heck	(1) describe Information Technology ("IT") department, the IT resources and applications Tampa Electric uses, and the company's cybersecurity strategy; (2) explain progress in the IT area since 2021 rate case; and (3) demonstrate that the IT rate base amounts and operations and maintenance expense levels for the 2025 test year are reasonable and prudent

Witness	Purposes of Direct Testimony
Marian Cacciatore	(1) provide an overview of the company's Human Resource activities, (2) explain the company's employee compensation system, and (3) demonstrate that Tampa Electric's total compensation costs for the 2025 test year are reasonable
Lori Cifuentes	(1) describe Tampa Electric's load forecasting process; (2) describe the methodologies and assumptions used for the forecast; and (3) to present the load forecast used in Tampa Electric's test year budget that supports its request for a base rate increase. In addition, show that the forecasts are appropriate and reasonable
Ned Allis	Sponsors and explains the company's 2023 Depreciation Study and proposed depreciation rates
Jeff Kopp	Sponsors and explains the company's Dismantlement Study and (2) supports the reasonableness of the Dismantlement Study costs
Dylan D'Ascendis	Recommends that the Commission authorize Tampa Electric the opportunity to earn an ROE of 11.50 percent on its jurisdictional rate base
John Heisey	Describes the Asset Optimization Mechanism and explains why it should be continued after 2021 Agreement expires

Witness	Purposes of Direct Testimony
Valerie Strickland	(1) describe changes in income tax law since the company's last general base rate proceeding in 2021; (2) discuss the impact of new renewable tax credits on the company's income tax expense for the 2025 test year; (3) present the company's calculation of income tax expense for the 2023 historical and 2025 projected test years; (4) explain Accumulated Deferred Income Taxes and Investments Tax Credits in the company's projected capital structure; and (5) present the company's 2025 parent debt adjustment calculation
Richard Latta	(1) describe the company's 2025 test year; (2) explain the 2025 budget and process used to develop it; (3) present proposed 2025 rate base, net operating income, and revenue requirement increase; (4) explain how the company accounts for affiliated transactions; and present the revenue requirement calculations for proposed 2026 and 2027 SYA

Witness	Purposes of Direct Testimony
Jeff Chronister	(1) explain how the company's financial profile has changed from its last rate case; (2) discuss the importance of Tampa Electric's financial integrity and credit ratings; (3) present the company's proposed capital structure and weighted average cost of capital for the 2025 test year; and (4) describe the company's projected financial condition for 2026 and 2027 and regulatory options for those years including the company's request for Subsequent Year Adjustments. Explains why the Commission should approve the company's proposed 54 percent equity ratio (investor sources) as part capital structure discussion
Ashley Sizemore	(1) describe the Clean Energy Transition Mechanism ("CETM"), (2) explain what has happened with the CETM since 2022, (3) discuss Tampa Electric's proposed CETM factors to be effective January 1, 2025, and (4) discuss Tampa Electric's performance under the Florida Energy Efficiency and Conservation Act ("FEECA")
Jordan Williams	(1) present and explain the company's filed cost of service studies and proposed base rates and service charges and (2) explain proposed miscellaneous tariff changes and the proposed Senior Care program

TAMPA ELECTRIC COMPANY
DOCKET NO. 20240026-EI
EXHIBIT NO. AC-1
WITNESS: COLLINS
DOCUMENT NO. 2
PAGE 1 OF 1
FILED: 04/02/2024

LIST OF MINIMUM FILING REQUIREMENT SCHEDULES
SPONSORED BY ARCHIE COLLINS

MFR Schedule	Title
F-09	Public Notice

MINIMUM FILING REQUIREMENT ASSIGNMENTS

EXHIBIT TEC-1 SCHEDULE A - EXECUTIVE SUMMARY

MFR Schedule	Witness	Title
A-1	Chronister	Full Revenue Requirements Increase Requested
A-2	Chronister Williams	Full Revenue Requirements Bill Comparison - Typical Monthly Bills
A-3	Chronister Williams	Summary Of Tariffs
A-4	Chronister Williams	Interim Revenue Requirements Increase Requested
A-5	Chronister Williams	Interim Revenue Requirements Bill Comparison - Typical Monthly Bills

EXHIBIT TEC-2 SCHEDULE B – RATE BASE

MFR Schedule	Witness	Title
B-1	Chronister Williams	Adjusted Rate Base
B-2	Aldazabal Chronister Williams	Rate Base Adjustments
B-3	Chronister	13 Month Average Balance Sheet - System Basis
B-4	Chronister	Two Year Historical Balance Sheet
B-5	Chronister	Detail Of Changes In Rate Base

MFR Schedule	Witness	Title
B-6	Aldazabal Chronister Whitworth Williams	Jurisdictional Separation Factors-Rate Base
B-7	Aldazabal Allis Chronister Heck Sparkman Stryker Whitworth	Plant Balances By Account And Sub-Account
B-8	Aldazabal Chronister Heck Sparkman Stryker Whitworth	Monthly Plant Balances Test Year-13 Months
B-9	Aldazabal Allis Chronister Stryker Whitworth	Depreciation Reserve Balances By Account And Sub-Account
B-10	Aldazabal Chronister Stryker Whitworth	Monthly Reserve Balances Test Year-13 Months
B-11	Aldazabal Chronister Lukcic Stryker Whitworth	Capital Additions And Retirements
B-12	Aldazabal Chronister Stryker	Production Plant Additions

MFR Schedule	Witness	Title
B-13	Aldazabal Chronister Lukcic Stryker Whitworth Williams	Construction Work in Progress
B-14	Chronister	Earnings Test
B-15	Aldazabal Chronister Whitworth Stryker Williams	Property Held For Future Use-13 Month Average
B-16	Not Applicable	Nuclear Fuel Balances
B-17	Chronister Williams	Working Capital-13 Month Average
B-18	Aldazabal Chronister	Fuel Inventory By Plant
B-19	Chronister Stryker	Miscellaneous Deferred Debits
B-20	Chronister	Other Deferred Credits
B-21	Chronister Whitworth	Accumulated Provision Accounts-228.1, 228.2 And 228.4
B-22	Strickland	Total Accumulated Deferred Income Taxes
B-23	Strickland	Investment Tax Credits-Annual Analysis
B-24	Aldazabal Chronister	Leasing Arrangements

MFR Schedule	Witness	Title
	Stryker Whitworth	
B-25	Chronister	Accounting Policy Changes Affecting Rate Base

EXHIBIT TEC-3 SCHEDULE C – NET OPERATING INCOME

MFR Schedule	Witness	Title
C-1	Chronister Williams	Adjusted Jurisdictional Net Operating Income
C-2	Chronister	Net Operating Income Adjustments
C-3	Chronister Williams	Jurisdictional Net Operating Income Adjustments
C-4	Aldazabal Chronister Whitworth Williams	Jurisdictional Separation Factors – Net Operating Income
C-5	Chronister Williams	Operating Revenues Detail
C-6	Aldazabal Cacciatore Chronister Sparkman Whitworth	Budgeted Versus Actual Operating Revenues and Expenses
C-7	Not Applicable	Operation and Maintenance Expenses – Test Year

MFR Schedule	Witness	Title
C-8	Aldazabal Cacciatore Chronister Sparkman Whitworth	Detail of Changes in Expenses
C-9	Aldazabal Chronister Sparkman Whitworth	Five Year Analysis – Change in Cost
C-10	Chronister	Detail of Rate Case Expenses for Outside Consultants
C-11	Chronister Sparkman	Uncollectable Accounts
C-12	Chronister Sparkman Williams	Administrative Expenses
C-13	Chronister Williams	Miscellaneous General Expenses
C-14	Chronister Sparkman Williams	Advertising Expenses
C-15	Chronister Williams	Industry Association Dues
C-16	Aldazabal Chronister Heck Whitworth	Outside Professional Services
C-17	Cacciatore Chronister	Pension Cost
C-18	Chronister	Lobbying Expenses, Other Political Expenses, and Civic/Charitable Contributions

MFR Schedule	Witness	Title
C-19	Chronister	Amortization/Recovery Schedule – 12 Months
C-20	Chronister Williams	Taxes Other Than Income Taxes
C-21	Chronister	Revenue Taxes
C-22	Strickland	State and Federal Income Tax Calculation
C-23	Chronister	Interest in Tax Expense Calculation
C-24	Strickland	Parent(s) Debt Information
C-25	Strickland	Deferred Tax Adjustment
C-26	Strickland	Income Tax Returns
C-27	Strickland	Consolidated Tax Information
C-28	Strickland	Miscellaneous Tax Information
C-29	Chronister	Gains and Losses on Disposition of Plant and Property
C-30	Chronister	Transactions With Affiliated Companies
C-31	Chronister	Affiliated Company Relationships
C-32	Chronister	Non-Utility Operations Utilizing Utility Assets
C-33	Aldazabal Chronister Cifuentes Whitworth	Performance Indices
C-34	Aldazabal Chronister Cifuentes Whitworth	Statistical Information

MFR	Schedule	Witness	Title
	C-35	Cacciatore Chronister Cifuentes	Payroll and Fringe Benefit Increases Compared to CPI
	C-36	Chronister Cifuentes	Non-Fuel Operation and Maintenance Expense Compared to CPI
	C-37	Aldazabal Cacciatore Chronister Heck Sparkman Strickland Whitworth	O & M Benchmark Comparison By Function
	C-38	Aldazabal Chronister Heck Sparkman Strickland Whitworth	O & M Adjustments By Function
	C-39	Aldazabal Chronister Heck Sparkman Whitworth	Benchmark Year Recoverable O & M Expenses By Function
	C-40	Aldazabal Chronister Cifuentes	O & M Compound Multiplier Calculation
	C-41	Aldazabal Cacciatore Chronister Heck Sparkman Strickland Whitworth	O & M Benchmark Variance by Function
	C-42	Not- Applicable	Hedging Costs

MFR Schedule	Witness	Title
C-43	Chronister Whitworth	Security Costs
C-44	Chronister	Revenue Expansion Factor

EXHIBIT TEC-4 SCHEDULE D – COST OF CAPITAL

MFR Schedule	Witness	Title
D-1a	Chronister Williams	Cost Of Capital - 13 Month Average
D-1b	Chronister	Cost Of Capital - Adjustments
D-2	Chronister	Cost Of Capital - 5 Year History
D-3	Chronister	Short-Term Debt
D-4a	Chronister	Long-Term Debt Outstanding
D-4b	Chronister	Reacquired Bonds
D-5	Chronister	Preferred Stock Outstanding
D-6	Chronister	Customer Deposits
D-7	Chronister	Common Stock Data
D-8	Chronister	Financial Plans - Stock And Bond Issues
D-9	Chronister	Financial Indicators - Summary

EXHIBIT TEC-5 SCHEDULE E – COST OF SERVICE AND RATE DESIGN

MFR Schedule	Witness	Title
E-1	Williams	Cost Of Service Studies

MFR Schedule	Witness	Title
E-3a	Williams	Cost Of Service Study-Allocation Of Rate Base Components To Rate Schedule
E-3b	Williams	Cost Of Service Study-Allocation Of Expense Components To Rate Schedule
E-4a	Williams	Cost Of Service Study-Functionalization And Classification Of Rate Base
E-4b	Williams	Cost Of Service Study-Functionalization And Classification Of Expenses
E-5	Williams	Source And Amount Of Revenues-At Present And Proposed Rates
E-6a	Williams	Cost Of Service Study-Unit Costs, Present Rates
E-6b	Williams	Cost Of Service Study-Unit Costs, Proposed Rates
E-7	Williams	Development Of Service Charges
E-8	Williams	Company - Proposed Allocation Of The Rate Increase By Rate Class
E-9	Williams	Cost Of Service - Load Data
E-10	Williams	Cost Of Service Study-Development Of Allocation Factors
E-11	Cifuentes Williams	Development Of Coincident And Non-Coincident Demands For Cost Study
E-12	Chronister Williams	Adjustment To Test Year Revenue
E-13a	Williams	Revenue From Sale Of Electricity By Rate Schedule
E-13b	Williams	Revenues By Rate Schedule-Service Charges (Account 451)
E-13c	Williams	Base Revenue By Rate Schedule-Calculations
E-13d	Williams	Revenue By Rate Schedule-Lighting Schedule Calculation

MFR Schedule	Witness	Title
E-14	Williams	Proposed Tariff Sheets And Support For Charges
E-14a	Williams	Comparison Of Rate Changes And Unit Costs At System ROR
E-14b	Williams	Dervation (Calculation & Assumptions) Of Other Charges And Credits
E-15	Cifuentes Williams	Projected Billing Determinants-Derivation
E-16	Cifuentes	Customers By Voltage Level
E-17	Cifuentes	Load Research Data
E-18	Cifuentes	Monthly Peaks
E-19a	Cifuentes	Demand And Energy Losses
E-19b	Cifuentes	Energy Losses
E-19c	Cifuentes	Demand Losses

EXHIBIT TEC-6 – 9 SCHEDULE E – COST OF SERVICE AND RATE DESIGN

Studies and Workpapers

Exhibit TEC – 6	VOL I	Jurisdictional Separation Study
Exhibit TEC – 7	VOL II	Cost of Service Study 4 CP and Full MDS, Per 2021 Agreement and Supplemental Opt-Out Study
Exhibit TEC -8	VOL III	Cost of Service Study 12 CP and 1/13 th , Per Rule 25-6.043
Exhibit TEC – 9	VOL IV	Lighting Incremental Cost Study

EXHIBIT TEC-10 SCHEDULE F – MISCELLANEOUS

MFR Schedule	Witness	Title
F-1	Chronister	Annual Reports To Shareholders

EXHIBIT TEC-11 SCHEDULE F – MISCELLANEOUS

F-2	Chronister	SEC Reports
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EXHIBIT TEC-12 SCHEDULE F – MISCELLANEOUS

F-3	Chronister	Business Contracts With Officers Or Directors
F-4	Not Applicable	Nuclear Regulatory Commission Safety Citations
F-5	Aldazabal Chronister Cifuentes Whitworth	Forecasting Models
F-6	Cifuentes	Forecasting Models-Sensitivity Of Output To Changes in Input Data
F-7	Cifuentes	Forecasting Models-Historical Data

MFR Schedule	Witness	Title
F-8	Aldazabal Cacciatore Chronister Cifuentes Whitworth Williams	Assumptions
F-9	Collins Chronister	Public Notice