TAMPA ELECTRIC COMPANY

Large Load Tariff: Executive Summary

Information for City Leadership | Proposed tariff subject to FPSC approval

CORE PRINCIPLE

Large-load customers pay the incremental costs required to serve them, while contractual and financial safeguards are designed to protect existing customers from costs associated with delayed, reduced or cancelled projects.

Purpose and applicability

Who qualifies. The proposed tariff applies to customers with a peak load of 50 megawatts or more at a single transmission-level site. A project may not split connections to avoid classification.

Required review before service. The prospective customer pays for system-impact and engineering studies. Tampa Electric must determine that adequate capacity and facilities can be provided before service begins.

Foreign-entity certification. The customer must certify that it is not a “foreign entity” as defined by applicable Florida law. This requirement is intended to ensure compliance with state restrictions associated with certain foreign countries and entities.

Firm electric service. Qualifying customers receive firm service and remain subject to the same curtailment provisions used for other firm customers when needed for grid stability, outage prevention or mitigation, or public safety.

How the tariff protects existing customers

1. COST CAUSATION	2. NO COST SHIFT	3. LONG-TERM COMMITMENTS
The large-load customer pays incremental generation, transmission and other customer-specific costs needed to provide service.	Minimum billing, financial security and exit obligations reduce the risk that costs from delay, downsizing or cancellation shift to other customers.	A 20-year minimum contract term aligns the customer commitment with the long-lived investments required to serve the load.

Status: The tariff is a proposal filed with the Florida Public Service Commission and remains subject to Commission review and approval. The summary describes the proposed framework and is not a statement of final approved terms.

CUSTOMER-PROTECTION MECHANISMS

Proposed customer-protection mechanisms

These protections work together to reduce the potential for costs associated with delayed, reduced or cancelled projects to shift to existing customers.

PROTECTION	HOW IT WORKS
20-year minimum term	The initial contract includes the customer's load ramp and requires a long-term commitment that reflects the investments needed to serve the customer.
Take-or-pay minimum bill	Beginning on the in-service date, the customer is billed on contracted demand even if actual usage is lower or zero. Separate usage charges do not offset the minimum obligation.
Customer-funded studies and upfront costs	The customer prepays system-impact and engineering studies. A Contribution in Aid of Construction may also apply when customer-specific investment is not otherwise recovered through the tariff's incremental charges.
Financial security	Security is set at $1 million per MW of contracted capacity for customers meeting the proposed credit criteria and $2 million per MW for customers that do not. The requirement provides a financial backstop if obligations are not met.
Notice to end service	The customer must provide three years' notice to terminate at the end of the contract term. Failure to provide the required notice results in a charge based on the net present value of 36 months of applicable incremental charges.
Early termination or pre-service cancellation	A customer leaving before the end of the 20-year term must pay an early-termination amount based on the net present value of remaining incremental charges. A customer cancelling before service begins must repay costs incurred and an additional amount based on 24 months of incremental charges.
Actual-cost reconciliation	Certain customer-specific costs are reconciled to actual costs, reducing the likelihood that differences between estimates and actual expenditures are shifted to other customers.
Standard system charges	Large-load customers also pay the applicable charges associated with use of Tampa Electric's existing system, as well as generally applicable clauses, taxes and fees. By contributing to the system's shared fixed costs, large-load customers reduce the portion of those fixed costs that must be recovered from other customers.

WHAT CITY LEADERS SHOULD KNOW

The proposed tariff is structured so that qualifying large-load customers make long-term, enforceable commitments, pay the incremental costs required to serve them and contribute to shared system fixed costs. These contributions reduce the portion of fixed costs that must be recovered from other customers. The final tariff, including all terms and conditions, will be determined through the FPSC proceeding.

Important context: This summary omits specific proposed tariff rates but retains key contractual and financial protections. It is informational only and does not replace the filed tariff, service agreement or final FPSC order.