



Public Service Commission

-M-E-M-O-R-A-N-D-U-M-

DATE: August 14, 1998
TO: Lee Willis, Esquire
Vicki Gordon Kaufman, Esquire
John McWhirter, Esquire
John Roger Howe, Esquire
FROM: Robert V. Elias, Esquire, Chief, Bureau of Electric and Gas
RE: Docket No. 950379-EI - Investigation into earnings for 1995 and 1996 of Tampa Electric Company.

RVE

The following is a compilation of issues proposed by the parties to be addressed at the November 18, 1998 hearing. Please telephone me at (850) 413-6189 with your comments and/or questions.

Issue 1: What is the appropriate cost rate to apply to deferred revenues in the capital structure?

Issue 2: If a zero cost rate is determined to be appropriate, should accrued interest be included in the deferred revenue component of the capital structure?

Issue 3: What is the appropriate method to calculate the separation of the FMPA and City of Lakeland wholesale contracts from the retail jurisdiction for 1996?

Possible Stipulation: Tampa Electric, OPC and FIPUG agree that in order to resolve the issue for 1996 that the separation calculation as approved in Order No. PSC-98-0802-FOF-EI is appropriate for calculating 1996 earnings; provided, however, that this stipulation shall not be precedent on this issue in future proceedings and shall be without prejudice of any party to take any position on this issue in future proceedings.

Issue 4: What is the effect of assigning a zero cost rate to deferred revenues in the capital structure?

Issue 5: Has TECO properly calculated the amount of deferred revenues for 1996?

- ACK
AFA
APP
CAF
CMU
CTR
EAG
LEG
LIN
OPC
RCH
SEC
WAS
OTH

RVE/js
ec: Beth Salak
John Slemkewicz
Roberta Bass
Blanca Bayó

DOCUMENT NUMBER-DATE

08696 AUG 14 88

FPSC-RECORDS/REPORTING