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RECORDS AND REPORTING

September 23, 1999

#### HAND DELIVERED

Ms. Blanca S. Bayo, Director Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: Petition of Tampa Electric Company to Close Rate Schedules IS-3 and IST-3 FPSC Docket No. 990037-EI

Dear Ms. Bayo:

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> SEC WAW

Pursuant to Order No. PSC-99-1778-FOF-EI issued in this proceeding on September 10, 1999, we enclose for approval 15 copies of the following Tampa Electric Company Tariff Sheets:

Original Sheet No. 7.155 Original Sheet No. 7.156 Original Sheet No. 7.157 Original Sheet No. 7.630 Original Sheet No. 7.631 Original Sheet No. 7.632

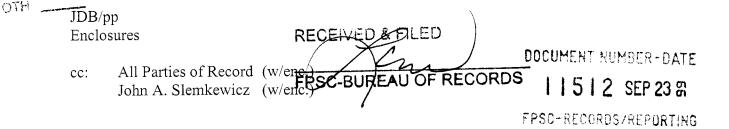
We are furnishing Staff with a separate set of these tariff sheets marked in legislative format to show new or revised language.

Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning same to this writer.

Thank you for your assistance in connection with this matter.

Sincerely,

James D. Beasley



**ORIGINAL SHEET NO. 7.155** 

# TAMPA ELECTRIC COMPANY

# EXHIBIT C TRANSFER FROM NON-FIRM TO FIRM SERVICE MINIMUM NOTICE AND PENALTY EXAMPLES

Following are sections of the GSLM-2 tariff rider describing Term of Service and Penalty Clause for Transfer Without Full Notice:

**TERM OF SERVICE:** The Initial Term of service under this rider, as described in the Tariff Agreement for the Purchase of Industrial Load Management Rider Service, shall be 36 months, the term shall be automatically extended after the end of the Initial Term subject to the notice requirement. In addition to committing to take service for an Initial Term of 36 months, the customer is required to give the Company prior written notice of desire to cease service under this rider of at least 36 months. Such notice shall be irrevocable unless the Company and the customer should mutually agree to void the notice.

**PENALTY CLAUSE FOR TRANSFER WITHOUT FULL NOTICE:** The Company may permit transfer to firm service without full notice upon satisfaction of the initial term of service and upon a determination by the Company that there is sufficient capacity to provide firm service to the customer. Any customer allowed to cease taking interruptible service under this rider without giving full notice shall pay a charge amounting to the value of the credits given for the period of time immediately prior to the changeover that is equal to the period that the changeover will be less than the required notice period.

This penalty may be waived by the Company if the following two conditions can be demonstrated

- 1. The customer has been on the rider for 36 months; and
- 2. There will be no adverse effect to existing firm customers or the Company's generation expansion plan

If a penalty is applied, the penalty will be calculated by accumulating the most recent monthly credits for the number of months notice was not given (36 months required notice - actual notice given):

0 months notice - penalty equals 36 months of credits (36 months-0 months) 12 months notice - penalty equals 24 months of credits (36 months-12 months) 24 months notice - penalty equals 12 months of credits (36 months-24 months)

Continued To Sheet No. 7.156

### **ORIGINAL SHEET NO. 7.156**

#### Continued From Sheet No. 7.155

The following examples are provided to describe typical situations a customer taking service under the GSLM-2 tariff rider may encounter should they desire to switch from non-firm to firm service. These examples are illustrative only for the purpose of clarifying the penalty calculations of the two rider clauses and are not intended to demonstrate the intent of the customer under this contract.

**Example 1:** Customer has taken service under the rider for the minimum term of 36 months and has provided Tampa Electric advance written notice of at least 36 months of desire to transfer to firm service.

**Result 1:** Upon completion of the 36-month notice period, the customer will be transferred to firm service with no penalty owed.

**Example 2:** Customer has taken service under the rider for the minimum term of 36 months, has not provided Tampa Electric with any advance written notice of desire to transfer to firm service but desires to transfer to firm service immediately. There is sufficient capacity to provide firm service to the customer.

**Result 2:** The customer may transfer to firm service. A 36-month penalty (36 months required notice period minus 0 months actual notice period) may be waived by Tampa Electric because there is no adverse effect of the transfer to existing firm customers or the generation expansion plan.

**Example 3:** Customer has taken service under the rider for the minimum term of 36 months, has not provided Tampa Electric with any advance written notice of desire to transfer to firm service but desires to transfer to firm service immediately. There is insufficient Tampa Electric capacity resources to provide firm service to the customer, but there are capacity resources available on the market.

**Result 3:** The customer may not transfer to firm service until sufficient capacity has been secured. If and when sufficient capacity has been secured by Tampa Electric, the customer shall pay a penalty equivalent to the difference between the required 36-month notice period and the actual notice period. In this example the notice is 0 months. 36 months minus 0 months equals a 36-month penalty that is not waived and is used to mitigate the adverse effect of transferring the load to firm service without sufficient notice.

Continued To Sheet No. 7.157

**ISSUED BY:** J. B. Ramil, President

DATE EFFECTIVE:

#### **ORIGINAL SHEET NO. 7.157**

#### Continued from Sheet No. 7.156

**Example 4:** Customer has taken service under the rider for the minimum term of 36 months. At the end of the initial term, the customer expresses the desire to transfer to firm service as soon as possible and provides written notice. There is insufficient Tampa Electric capacity resources to provide firm service to the customer immediately and there is no capacity resources available currently on the market, but there will be sufficient capacity available to provide firm service to the customer in 6 months.

**Result 4:** The customer may transfer only if there is sufficient capacity to provide firm service. There will be firm capacity available within 6 months of their request. Therefore, in 6 months when sufficient capacity has been secured by Tampa Electric, the customer shall pay a penalty equivalent to the difference between the required 36-month notice period and the actual notice period of 6 months. In this example the penalty is calculated based upon 30 months or 36 months minus 6 months when the customer transfers to firm service. The 30-month penalty would not be waived and would be used to mitigate the adverse effect of transferring the load to firm service without sufficient notice.

These four examples are provided to illustrate potential situations where these two clauses would be applied. Actual circumstances can be different, and all disputes regarding application of these clauses would be subject to review by the Florida Public Service Commission

**ORIGINAL SHEET NO. 7.630** 

# TAMPA ELECTRIC COMPANY

# EXHIBIT C TRANSFER FROM NON-FIRM TO FIRM SERVICE MINIMUM NOTICE AND PENALTY EXAMPLES

Following are sections of the GSLM-3 tariff rider describing Term of Service and Penalty Clause for Transfer Without Full Notice:

**TERM OF SERVICE**: The Initial Term of service under this rider, as described in the Tariff Agreement for the Purchase of Industrial Load Management Rider Service, shall be 36 months, the term shall be automatically extended after the end of the Initial Term subject to the notice requirement. In addition to committing to take service for an Initial Term of 36 months, the customer is required to give the Company prior written notice of desire to cease service under this rider of at least 36 months. Such notice shall be irrevocable unless the Company and the customer should mutually agree to void the notice.

**PENALTY CLAUSE FOR TRANSFER WITHOUT FULL NOTICE:** The Company may permit transfer to firm service without full notice upon satisfaction of the initial term of service and upon a determination by the Company that there is sufficient capacity to provide firm service to the customer. Any customer allowed to cease taking interruptible service under this rider without giving full notice shall pay a charge amounting to the value of the credits given for the period of time immediately prior to the changeover that is equal to the period that the changeover will be less than the required notice period.

This penalty may be waived by the Company if the following two conditions can be demonstrated:

- 1. The customer has been on the rider for 36 months; and
- 2. There will be no adverse effect to existing firm customers or the Company's generation expansion plan

If a penalty is applied, the penalty will be calculated by accumulating the most recent monthly credits for the number of months notice was not given (36 months required notice - actual notice given):

0 months notice - penalty equals 36 months of credits (36 months-0 months) 12 months notice - penalty equals 24 months of credits (36 months-12 months) 24 months notice - penalty equals 12 months of credits (36 months-24 months)

Continued to Sheet No. 7.631

ISSUED BY: J. B. Ramil, President

DATE EFFECTIVE:

# **ORIGINAL SHEET NO. 7.631**

# Continued from Sheet No. 7.630

The following examples are provided to describe typical situations a customer taking service under the GSLM-3 tariff rider may encounter should they desire to switch from non-firm to firm service. These examples are illustrative only for the purpose of clarifying the penalty calculations of the two rider clauses and are not intended to demonstrate the intent of the customer under this contract.

**Example 1:** Customer has taken service under the rider for the minimum term of 36 months and has provided Tampa Electric advance written notice of at least 36 months of desire to transfer to firm service.

**Result 1:** Upon completion of the 36-month notice period, the customer will be transferred to firm service with no penalty owed.

**Example 2:** Customer has taken service under the rider for the minimum term of 36 months, has not provided Tampa Electric with any advance written notice of desire to transfer to firm service but desires to transfer to firm service immediately. There is sufficient capacity to provide firm service to the customer.

**Result 2:** The customer may transfer to firm service. A 36-month penalty (36 months required notice period minus 0 months actual notice period) may be waived by Tampa Electric because there is no adverse effect of the transfer to existing firm customers or the generation expansion plan.

**Example 3:** Customer has taken service under the rider for the minimum term of 36 months, has not provided Tampa Electric with any advance written notice of desire to transfer to firm service but desires to transfer to firm service immediately. There is insufficient Tampa Electric capacity resources to provide firm service to the customer, but there are capacity resources available on the market.

**Result 3:** The customer may not transfer to firm service until sufficient capacity has been secured. If and when sufficient capacity has been secured by Tampa Electric, the customer shall pay a penalty equivalent to the difference between the required 36-month notice period and the actual notice period. In this example the notice is 0 months. 36 months minus 0 months equals a 36-month penalty that is not waived and is used to mitigate the adverse effect of transferring the load to firm service without sufficient notice.

Continued to Sheet No. 7.632

**ISSUED BY:** J. B. Ramil, President

## **ORIGINAL SHEET NO. 7.632**

# Continued from Sheet No. 7.631

**Example 4:** Customer has taken service under the rider for the minimum term of 36 months. At the end of the initial term, the customer expresses the desire to transfer to firm service as soon as possible and provides written notice. There is insufficient Tampa Electric capacity resources to provide firm service to the customer immediately and there is no capacity resources available currently on the market, but there will be sufficient capacity available to provide firm service to the customer in 6 months.

**Result 4:** The customer may transfer only if there is sufficient capacity to provide firm service. There will be firm capacity available within 6 months of their request. Therefore, in 6 months when sufficient capacity has been secured by Tampa Electric, the customer shall pay a penalty equivalent to the difference between the required 36-month notice period and the actual notice period of 6 months. In this example the penalty is calculated based upon 30 months or 36 months minus 6 months when the customer transfers to firm service. The 30-month penalty would not be waived and would be used to mitigate the adverse effect of transferring the load to firm service without sufficient notice.

These four examples are provided to illustrate potential situations where these two clauses would be applied. Actual circumstances can be different, and all disputes regarding application of these clauses would be subject to review by the Florida Public Service Commission.