

AUSLEY & McMULLEN

ATTORNEYS AND COUNSELORS AT LAW

227 SOUTH CALHOUN STREET
P.O. BOX 391 (ZIP 32302)
TALLAHASSEE, FLORIDA 32301
(850) 224-9115 FAX (850) 222-7560

May 17, 2000

RECEIVED-FPSC
MAY 17 PM 4:24
RECORDS AND
REPORTING

ORIGINAL

BY HAND DELIVERY

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

000600 - EI

Re: Petition for Approval of Service Agreement For
Emergency On-Demand Energy By Tampa Electric Company


Dear Ms. Bayo:

Enclosed for filing on behalf of Tampa Electric Company are the original and ten (10) copies of the company's Petition for Approval of Service Agreement for Emergency On-Demand Energy.

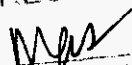
Please acknowledge receipt and filing of the above by stamping the duplicate copy of this letter and returning the same to this writer.

Thank you for your assistance in connection with this matter.

Sincerely,


James D. Beasley

JDB/bjd
Enclosures

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE

06136 MAY 17 8

FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION ORIGINAL

In re: Petition for Approval of Service Agreement)
For Emergency On-Demand Energy By Tampa)
Electric Company)
_____)

Docket No.
Submitted for Filing May 17, 2000

PETITION

Tampa Electric Company ("Tampa Electric" or "the company") files this its petition under Section 25-17.0825(1)(b) Florida Administrative Code ("F.A.C.") for approval of Service Agreement for Emergency On-Demand Energy and in support thereof says:

1. Tampa Electric is an investor-owned electric utility operating under the jurisdiction of this Commission and serving retail customers in Hillsborough and portions of Polk, Pinellas and Pasco Counties. The company's principal offices are located at 702 North Franklin Street, Tampa, Florida 33602.

2. The persons to whom all notices and other documents should be sent in connection with this docket are:

Mr. Lee L. Willis
Mr. James D. Beasley
Ausley & McMullen
Post Office Box 391
Tallahassee, Florida 32302
(850)425-5487 or
(850)425-5485

Ms. Angela L. Llewellyn
Administrator, Regulatory Coordination
Tampa Electric Company
Post Office Box 111
Tampa, Florida 33601
(813)228-1752

3. In this petition, Tampa Electric seeks approval of certain tariff sheets containing a form of a tariff agreement which would be used to negotiate energy purchase transactions with Qualifying Facilities ("QFs") when Tampa Electric is in an "energy deficient" situation. The tariff sheets in standard and legislative format are contained in Exhibit A.

DOCUMENT NUMBER-DATE

06136 MAY 17 8

FPSC-RECORDS/REPORTING

4. Tampa Electric has determined that, under certain emergency conditions when Tampa Electric is experiencing or expects to experience generation energy deficiency and the purchase of energy to meet its requirements to serve firm native load is difficult or very expensive to acquire in the wholesale power market, it can solicit from QFs, who have indicated a willingness to make extraordinary operational arrangements, to temporarily provide additional energy resources to Tampa Electric in exchange for incentive prices to be paid for such additional energy. These incentive prices represent a higher price than that which is normally paid for such energy on an as-available cost basis through the COG-1 tariff.

5. Tampa Electric is proposing in this petition a service agreement, transaction confirmation letter and process to facilitate interested QFs who desire to enter into such short term transactions as well as Florida Public Service Commission oversight and fuel clause cost recovery.

6. Tampa Electric is filing for approval in this petition the attached tariff sheets which would be used as a form of agreement and confirmation letter for all such Emergency On-Demand transactions with QFs. Tampa Electric requests that the amounts paid to QFs pursuant to these types of transactions be recoverable through the Fuel and Purchased Power Cost Recovery Clause.

7. Tampa Electric normally pays for as-available QF energy under its COG-1 tariff which determines the avoided energy cost and energy price provided for energy deliveries from QFs. These energy deliveries have no capacity value as they are provided on an as-available basis from the QF. The QF is under no obligation to provide such energy at any time or in any quantity nor is Tampa Electric under any obligation to provide such an offer to a QF. The COG-1 tariff provide that, upon agreement between both parties an alternative contract rate for the

purchase of as-available energy from QFs may be separately negotiated. The tariff sheets and process requested through this petition are intended to facilitate that process and Commission review of any such transaction. The Emergency On-Demand Energy Service Agreement will have no effect on and will in no way change the calculations and administration of the standard as-available energy provided under the COG-1 tariff.

8. From time to time, and in particular more recently, Tampa Electric has needed additional energy resources when its existing power supply resources are insufficient to meet system loads. During these same periods, the cost and availability of such short term energy in the wholesale market has made the energy both exorbitantly high in price and sometimes unavailable.

9. Discussions with QFs in Tampa Electric's service area have indicated that, if called upon with enough notice, those QFs can sometimes make extraordinary operational arrangements within their "behind the meter" systems to export more generation than they normally do for a short time. These extraordinary arrangements come at a significant cost to the QF, and they are only willing to make such arrangements if the price for the energy they supply is sufficiently compensatory. Similarly, these QFs are unwilling to make any permanent commitments to enter into such transactions on a long term basis due to business priorities and/or operational needs which can make their ability to supply additional energy change from day to day and indeed even hour to hour. For these QFs, the energy generation business is a secondary business where increasing energy generation for any significant period of time can sometimes negatively impact their normal business operations.

10. The proposed agreement takes into account Tampa Electric's need for energy, the measures QFs must take to provide additional energy, the availability and price of energy in the

wholesale market place and ratepayer impacts. This agreement also provides a mechanism that, when needed, will allow Tampa Electric to readily enter into such agreements providing benefits to all of our customers. The price negotiated between the QFs and Tampa Electric will be less than the expected wholesale market price for similar energy supply thus providing benefits to the general body of ratepayers. This agreement also provides an incentive to the QF to make extraordinary arrangements in order to temporarily provide additional energy resources. While there is no firm commitment on the part of QFs to provide energy, a sufficient price incentive may be in their economic interest and incentive actions that would not otherwise occur.

11. The new tariff agreement and the transactions to be entered into through that agreement will provide benefits to Tampa Electric's general body of ratepayers as well as QFs.

12. Tampa Electric's substantial interests will be affected by the agency determination proposed herein in that Tampa Electric will be better able to supply the energy needs of its retail electric customers.

13. Tampa Electric is not aware of any disputed issues of material fact regarding the proposal set forth in this petition.

14. The ultimate facts alleged are that Tampa Electric's ability to serve its retail load in an economic and reliable manner will be enhanced by the Commission's approval of the service agreement tariff and process proposed in this petition.

Request for Expedited Consideration

Tampa Electric respectfully requests expedited Commission consideration and approval of the service agreement and process proposed herein so that the company and its customers may have this energy option available for use during the hot summer months ahead.

WHEREFORE, Tampa Electric requests Commission approval of the attached tariff sheets to facilitate such transactions with QFs and that such transactions be deemed appropriate for recovery, subject to review through the Fuel and Purchased Power Cost Recovery Clause, as they are entered into. The company also requests expedited consideration and approval of its proposal for the benefit of its customers during the approaching summer months.

Dated this 17th day of May, 2000.

Respectfully submitted,



LEE L. WILLIS
JAMES D. BEASLEY
Ausley & McMullen
Post Office Box 391
Tallahassee, FL 32302
(850)224-9115

ATTORNEYS FOR TAMPA ELECTRIC COMPANY

**SERVICE AGREEMENT FOR THE PURCHASE OF
EMERGENCY ON-DEMAND ENERGY
AT NEGOTIATED RATES**

This Service Agreement for the Purchase of Emergency On-Demand Energy at Negotiated Rates ("Agreement") is made and entered into as of this ____ day of _____, ____ by and between _____, ("Customer") and Tampa Electric Company ("Company"), a Florida corporation.

WITNESSETH

WHEREAS, the Company is an electric utility operating under Chapter 366, Florida Statutes, subject to the jurisdiction of the Florida Public Service Commission ("Commission") or any successor agency thereto; and

WHEREAS, the Customer is a Qualifying Facility ("QF") within the meaning of Commission Rule 25-17.080, Florida Administrative Code, located at _____; and

WHEREAS, the Company has on file with the Commission a tariff Schedule COG-1, pursuant to which the Company purchases energy produced by the Customer and other QFs, on an as-available basis, at a standard rate set forth in Schedule COG-1 ("Standard As-Available Energy"); and

WHEREAS, the Company may find from time to time that its own generation and purchased power resources are not expected to be sufficient to supply a portion of its firm retail load, thus creating an energy shortfall ("Energy Shortfall"); and

WHEREAS, the Company may seek to meet the Energy Shortfall, in whole or in part, by offering the Customer an incentive rate, in excess of the Standard As-Available Energy rate, for additional energy ("Emergency On-Demand Energy") that the Customer is able to make available during the period of the Energy Shortfall and that, but for the Company's offer, would not be made available as Standard As-Available Energy; and

WHEREAS, in response to such an incentive offered by the Company, the Customer may be willing to take extraordinary measures (e.g., increasing QF energy generation or decreasing firm load requirements at the QF facility) ("Extraordinary Measures") that would make Emergency On-Demand Energy available during the period of the Energy Shortfall and that, but for the Company's incentive offer to purchase Emergency On-Demand Energy,

ISSUED BY: J. B. Ramil, President

DATE EFFECTIVE:

EXHIBIT "A"

would not otherwise be provided as Standard As-Available Energy under the COG-1 tariff;
and

WHEREAS, the Company and the Customer may negotiate and mutually agree upon the amount of Emergency On-Demand Energy to be made available during the period of the Energy Shortfall, and the incentive rate(s) to be paid by the Company for such Emergency On-Demand Energy ("Emergency On-Demand Energy Transaction");

NOW THEREFORE, in consideration of the mutual covenants expressed herein, the Company and the Customer hereby agree as follows:

1. Incorporation of Tariff: This Agreement incorporates by reference the terms and conditions of Schedule COG-1. In the event of any inconsistency between this Agreement and Schedule COG-1, the terms and conditions of this Agreement shall control.
2. Nature of Service: Each transaction under this Agreement shall be an Emergency On-Demand Energy Transaction (*i.e.*, a sale and purchase of Emergency On-Demand Energy at a negotiated rate as determined in accordance with Sections 3 and 4 of this Agreement.) The Company shall be under no obligation to propose an Emergency On-Demand Energy Transaction and the Customer shall be under no obligation to agree to a proposed Emergency On-Demand Energy Transaction. There shall be no commitment of capacity by the Customer to the Company in any Emergency On-Demand Energy Transaction. The Customer may, at its sole discretion and upon one (1) hour notice to the Company, interrupt the scheduling or delivery of Emergency On-Demand Energy in any Emergency On-Demand Energy Transaction that has been previously agreed upon.

Emergency On-Demand Energy is energy delivered to the Company's system. An Emergency On-Demand Energy Transaction shall commence only if either of the following two conditions are in effect; (1) the Customer is already exporting energy to the Company ("Previous Export Energy") at the beginning of the first hour during which Emergency On-Demand Energy is scheduled, or (2) the Customer is neither importing or exporting energy to the Company at the beginning of the first hour during which Emergency On-Demand Energy is scheduled. If the Customer qualifies under (1) above, the Previous Export Energy shall be scheduled for delivery in addition to any amount of Emergency On-Demand which is to be scheduled, however Previous Export Energy shall be considered Standard As-Available Energy and the rates for such energy shall be those specified under Schedule COG-1.

ISSUED BY: J. B. Ramil, President

DATE EFFECTIVE:

3. Transactions: From time to time, the Company may request the Customer to provide Emergency On-Demand Energy. Any such request shall specify: (a) the clock hours during which the Emergency On-Demand Energy is desired, which may number no less than one (1); (b) the amount of Emergency On-Demand Energy desired in each clock hour; and (c) the rate(s) that the Company proposes to pay for the Emergency On-Demand Energy. If possible, the Company shall make any such request no less than two (2) hours prior to the clock hour in which the Company proposes to commence the Emergency On-Demand Energy Transaction. The Company shall specify the Customer response time required for each request. The Customer shall inform the Company within the specified response time whether the Customer is willing and able to provide Emergency On-Demand Energy at the proposed rate(s) and schedule.

If the Customer is not willing or is unable to provide Emergency On-Demand Energy, the Company's offer shall immediately be deemed null and void and of no effect as of the same time and date of the Company's offer.

Each Emergency On-Demand Energy Transaction shall be documented by a Confirmation Letter (a form of which is attached hereto as Exhibit A and made a part hereof) specifying the date(s) of the transaction, the clock hour(s) of the transaction, the expected amount of Emergency On-Demand Energy for each clock hour, the expected amount of Standard As-Available Energy for each clock hour, and the rate(s) offered for the Emergency On-Demand Energy.

The Company and the Customer may establish the transaction-specific rates and terms by a recorded telephone conversation ("Recorded Conversation".) The Company shall be responsible for recording the Recorded Conversation. A Recorded Conversation may be introduced to prove an oral agreement between the Company and the Customer.

4. Rates: The rate(s) that the Company proposes for Emergency On-Demand Energy shall be expressed in dollars per megawatt-hour (\$/MWh) only and in no case shall the rate(s) include any capacity (\$/MW) component. The rates offered by the Company shall be below the expected market price for energy available on the wholesale power market at the time of the Company's request for Emergency On-Demand Energy. The Company shall be under no obligation to provide the Customer with wholesale power market information. The Company shall be prepared, however, to provide such information to the Commission, subject to the provisions of Section 17 of this Agreement.

ISSUED BY: J. B. Ramil, President

DATE EFFECTIVE:

- 5. Designated Representatives: The Company and the Customer shall each designate a representative who is authorized to communicate with the other party concerning Emergency On-Demand Energy Transactions and to enter into such transactions.
- 6. Billing: Billing for transactions made under this Agreement shall be included with the Schedule COG-1 billing for the month during which an Emergency On-Demand Energy Transaction occurs, but shall be separately presented.
- 7. Regulation and Regulatory Approval: The provisions of this Agreement and any transactions entered into under this Agreement are subject to the regulatory authority and approval of the Commission. The Customer shall provide the Company with any information reasonably required to comply with any filing requirements of the Commission, and shall not lend support to any party that opposes this Agreement or any transaction hereunder before the Commission.
- 8. Security Deposit: No additional security deposit shall be required of the Customer as a result of entering into this Agreement.
- 9. Term: This Agreement shall become effective on the date first above written. This Agreement may be terminated by either party upon sixty (60) days prior written notice to the other party.
- 10. Notices: All notices made hereunder shall be in writing and shall be delivered by hand, by prepaid first-class registered or certified mail, return receipt requested, by courier or by facsimile, addressed as follows:

If to the Company: Attention: _____
Tampa Electric Company
702 North Franklin Street
P.O. Box 111
Tampa, Florida 33601-0111
Facsimile: _____
Attention: _____

with a copy to: Attention: _____
Tampa Electric Company
702 North Franklin Street
P.O. Box 111
Tampa, Florida 33601-0111
Facsimile: _____
Attention: _____

ISSUED BY: J. B. Ramil, President

DATE EFFECTIVE:

If to the Customer: Attention: _____

Facsimile: _____

Attention: _____

with a copy to: Attention: _____

Facsimile: _____

Attention: _____

Except as otherwise expressly provided in this Agreement, all notices shall be deemed effective upon receipt. Each party shall have the right to designate a different address for notices to it by notice similarly given.

- 11. Assignment; No Third-Party Beneficiaries: This Agreement shall inure to the benefit of and shall bind the successors and assigns of the parties hereto. No assignment of any rights or delegation of any obligations hereunder shall have the effect of releasing the assigning party of any of its obligations hereunder, and the assigning party shall remain primarily liable and responsible therefore notwithstanding any such assignment or delegation. Nothing in this Agreement shall be construed to confer a benefit on any person not a signatory party hereto or such signatory party's successors and assigns.
- 12. Waiver: At its option, either party may waive any or all of the obligations of the other party contained in this Agreement, but waiver of any obligation or any breach of this Agreement by either party shall in no event constitute a waiver as to any other obligation or breach or any future breach, whether similar or dissimilar in nature, and no such waiver shall be binding unless in writing signed by the waiving party.
- 13. Headings: The section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect, in any way, the meaning or interpretation of this Agreement.
- 14. Counterparts: This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

ISSUED BY: J. B. Ramil, President

DATE EFFECTIVE:

- 15. Dispute Resolution: All disputes arising between the Company and the Customer under this Agreement shall be finally decided by the Commission in accordance with the applicable rules and procedures of the Commission.
- 16. Governing Law: This Agreement shall be construed and enforced in accordance with the laws of the State of Florida.
- 17. Confidentiality: The rates mutually agreed upon for transactions under this Agreement, as well as any information supplied by the Customer or the Company as part of any negotiations undertaken to reach agreement on transactions under this Agreement or after completion of any such transaction, are considered confidential, proprietary information of the parties. Upon the Commission's request, information concerning any transaction hereunder shall be made available for review solely by the Commission and its staff. Such review shall be made in accordance with the confidentiality rules of the Commission.
- 18. Entire Agreement: This Agreement supersedes all previous agreements and representations either written or oral heretofore made between the Company and the Customer with respect to the matters contained herein. This Agreement, when duly executed, constitutes the only agreement between the parties hereto relative to the matters described herein.

IN WITNESS WHEREOF, the Customer and the Company have executed this Agreement the day and year first above written.

Witnesses:

by: _____
Its: _____
Attest: _____

Witnesses:

TAMPA ELECTRIC COMPANY
by: _____
Its: _____
Attest: _____

ISSUED BY: J. B. Ramil, President

DATE EFFECTIVE:

Exhibit A

Form of

**EMERGENCY ON-DEMAND ENERGY TRANSACTION
CONFIRMATION LETTER**

between

(Customer)

**Tampa Electric Company
(Company)**

Phone: (____) ____ - ____
Fax: (____) ____ - ____

Phone: (813) 225-5178
Fax: (813) 225-5127

Transaction
Commencement Date: _____

Transaction
Completion Date: _____

Hour	Expected Amount of Emergency On-Demand Energy (MWH)	Expected Amount of Standard As-Available Energy (MWH)	Emergency On-Demand Energy Rate (\$/MWH)	Hour	Expected Amount of Emergency On-Demand Energy (MWH)	Expected Amount of Standard As-Available Energy (MWH)	Emergency On-Demand Energy Rate (\$/MWH)
0000-0100	_____	_____	_____	1200-1300	_____	_____	_____
0100-0200	_____	_____	_____	1300-1400	_____	_____	_____
0200-0300	_____	_____	_____	1400-1500	_____	_____	_____
0300-0400	_____	_____	_____	1500-1600	_____	_____	_____
0400-0500	_____	_____	_____	1600-1700	_____	_____	_____
0500-0600	_____	_____	_____	1700-1800	_____	_____	_____
0600-0700	_____	_____	_____	1800-1900	_____	_____	_____
0700-0800	_____	_____	_____	1900-2000	_____	_____	_____
0800-0900	_____	_____	_____	2000-2100	_____	_____	_____
0900-1000	_____	_____	_____	2100-2200	_____	_____	_____
1000-1100	_____	_____	_____	2200-2300	_____	_____	_____
1100-1200	_____	_____	_____	2300-2400	_____	_____	_____

ISSUED BY: J. B. Ramil, President

DATE EFFECTIVE:

Tampa Electric Company

Print Name: _____

Title: _____

Agreement Date: _____

Print Name: _____

Title: _____

Agreement Date: _____

ISSUED BY: J. B. Ramil, President

DATE EFFECTIVE:

**SERVICE AGREEMENT FOR THE PURCHASE OF
EMERGENCY ON-DEMAND ENERGY
AT NEGOTIATED RATES**

This Service Agreement for the Purchase of Emergency On-Demand Energy at Negotiated Rates ("Agreement") is made and entered into as of this ____ day of _____, _____ by and between _____, ("Customer") and Tampa Electric Company ("Company"), a Florida corporation.

WITNESSETH

WHEREAS, the Company is an electric utility operating under Chapter 366, Florida Statutes, subject to the jurisdiction of the Florida Public Service Commission ("Commission") or any successor agency thereto; and

WHEREAS, the Customer is a Qualifying Facility ("QF") within the meaning of Commission Rule 25-17.080, Florida Administrative Code, located at _____; and

WHEREAS, the Company has on file with the Commission a tariff Schedule COG-1, pursuant to which the Company purchases energy produced by the Customer and other QFs, on an as-available basis, at a standard rate set forth in Schedule COG-1 ("Standard As-Available Energy"); and

WHEREAS, the Company may find from time to time that its own generation and purchased power resources are not expected to be sufficient to supply a portion of its firm retail load, thus creating an energy shortfall ("Energy Shortfall"); and

WHEREAS, the Company may seek to meet the Energy Shortfall, in whole or in part, by offering the Customer an incentive rate, in excess of the Standard As-Available Energy rate, for additional energy ("Emergency On-Demand Energy") that the Customer is able to make available during the period of the Energy Shortfall and that, but for the Company's offer, would not be made available as Standard As-Available Energy; and

WHEREAS, in response to such an incentive offered by the Company, the Customer may be willing to take extraordinary measures (e.g., increasing QF energy generation or decreasing firm load requirements at the QF facility) ("Extraordinary Measures") that would make Emergency On-Demand Energy available during the period of the Energy Shortfall and that, but for the Company's incentive offer to purchase Emergency On-Demand Energy,

ISSUED BY: J. B. Ramil, President

DATE EFFECTIVE:

would not otherwise be provided as Standard As-Available Energy under the COG-1 tariff; and

WHEREAS, the Company and the Customer may negotiate and mutually agree upon the amount of Emergency On-Demand Energy to be made available during the period of the Energy Shortfall, and the incentive rate(s) to be paid by the Company for such Emergency On-Demand Energy ("Emergency On-Demand Energy Transaction");

NOW THEREFORE, in consideration of the mutual covenants expressed herein, the Company and the Customer hereby agree as follows:

1. **Incorporation of Tariff:** This Agreement incorporates by reference the terms and conditions of Schedule COG-1. In the event of any inconsistency between this Agreement and Schedule COG-1, the terms and conditions of this Agreement shall control.
2. **Nature of Service:** Each transaction under this Agreement shall be an Emergency On-Demand Energy Transaction (i.e., a sale and purchase of Emergency On-Demand Energy at a negotiated rate as determined in accordance with Sections 3 and 4 of this Agreement.) The Company shall be under no obligation to propose an Emergency On-Demand Energy Transaction and the Customer shall be under no obligation to agree to a proposed Emergency On-Demand Energy Transaction. There shall be no commitment of capacity by the Customer to the Company in any Emergency On-Demand Energy Transaction. The Customer may, at its sole discretion and upon one (1) hour notice to the Company, interrupt the scheduling or delivery of Emergency On-Demand Energy in any Emergency On-Demand Energy Transaction that has been previously agreed upon.

Emergency On-Demand Energy is energy delivered to the Company's system. An Emergency On-Demand Energy Transaction shall commence only if either of the following two conditions are in effect; (1) the Customer is already exporting energy to the Company ("Previous Export Energy") at the beginning of the first hour during which Emergency On-Demand Energy is scheduled, or (2) the Customer is neither importing or exporting energy to the Company at the beginning of the first hour during which Emergency On-Demand Energy is scheduled. If the Customer qualifies under (1) above, the Previous Export Energy shall be scheduled for delivery in addition to any amount of Emergency On-Demand which is to be scheduled, however Previous Export Energy shall be considered Standard As-Available Energy and the rates for such energy shall be those specified under Schedule COG-1.

ISSUED BY: J. B. Ramil, President

DATE EFFECTIVE:

3. **Transactions:** From time to time, the Company may request the Customer to provide Emergency On-Demand Energy. Any such request shall specify: (a) the clock hours during which the Emergency On-Demand Energy is desired, which may number no less than one (1); (b) the amount of Emergency On-Demand Energy desired in each clock hour; and (c) the rate(s) that the Company proposes to pay for the Emergency On-Demand Energy. If possible, the Company shall make any such request no less than two (2) hours prior to the clock hour in which the Company proposes to commence the Emergency On-Demand Energy Transaction. The Company shall specify the Customer response time required for each request. The Customer shall inform the Company within the specified response time whether the Customer is willing and able to provide Emergency On-Demand Energy at the proposed rate(s) and schedule.

If the Customer is not willing or is unable to provide Emergency On-Demand Energy, the Company's offer shall immediately be deemed null and void and of no effect as of the same time and date of the Company's offer.

Each Emergency On-Demand Energy Transaction shall be documented by a Confirmation Letter (a form of which is attached hereto as Exhibit A and made a part hereof) specifying the date(s) of the transaction, the clock hour(s) of the transaction, the expected amount of Emergency On-Demand Energy for each clock hour, the expected amount of Standard As-Available Energy for each clock hour, and the rate(s) offered for the Emergency On-Demand Energy.

The Company and the Customer may establish the transaction-specific rates and terms by a recorded telephone conversation ("Recorded Conversation".) The Company shall be responsible for recording the Recorded Conversation. A Recorded Conversation may be introduced to prove an oral agreement between the Company and the Customer.

4. **Rates:** The rate(s) that the Company proposes for Emergency On-Demand Energy shall be expressed in dollars per megawatt-hour (\$/MWh) only and in no case shall the rate(s) include any capacity (\$/MW) component. The rates offered by the Company shall be below the expected market price for energy available on the wholesale power market at the time of the Company's request for Emergency On-Demand Energy. The Company shall be under no obligation to provide the Customer with wholesale power market information. The Company shall be prepared, however, to provide such information to the Commission, subject to the provisions of Section 17 of this Agreement.

ISSUED BY: J. B. Ramil, President

DATE EFFECTIVE:

- 5. Designated Representatives: The Company and the Customer shall each designate a representative who is authorized to communicate with the other party concerning Emergency On-Demand Energy Transactions and to enter into such transactions.
- 6. Billing: Billing for transactions made under this Agreement shall be included with the Schedule COG-1 billing for the month during which an Emergency On-Demand Energy Transaction occurs, but shall be separately presented.
- 7. Regulation and Regulatory Approval: The provisions of this Agreement and any transactions entered into under this Agreement are subject to the regulatory authority and approval of the Commission. The Customer shall provide the Company with any information reasonably required to comply with any filing requirements of the Commission, and shall not lend support to any party that opposes this Agreement or any transaction hereunder before the Commission.
- 8. Security Deposit: No additional security deposit shall be required of the Customer as a result of entering into this Agreement.
- 9. Term: This Agreement shall become effective on the date first above written. This Agreement may be terminated by either party upon sixty (60) days prior written notice to the other party.
- 10. Notices: All notices made hereunder shall be in writing and shall be delivered by hand, by prepaid first-class registered or certified mail, return receipt requested, by courier or by facsimile, addressed as follows:

If to the Company: Attention: _____
Tampa Electric Company
702 North Franklin Street
P.O. Box 111
Tampa, Florida 33601-0111
Facsimile: _____
Attention: _____

with a copy to: Attention: _____
Tampa Electric Company
702 North Franklin Street
P.O. Box 111
Tampa, Florida 33601-0111
Facsimile: _____
Attention: _____

ISSUED BY: J. B. Ramil, President

DATE EFFECTIVE:

If to the Customer: Attention: _____

Facsimile: _____

Attention: _____

with a copy to: Attention: _____

Facsimile: _____

Attention: _____

Except as otherwise expressly provided in this Agreement, all notices shall be deemed effective upon receipt. Each party shall have the right to designate a different address for notices to it by notice similarly given.

- 11. Assignment; No Third-Party Beneficiaries: This Agreement shall inure to the benefit of and shall bind the successors and assigns of the parties hereto. No assignment of any rights or delegation of any obligations hereunder shall have the effect of releasing the assigning party of any of its obligations hereunder, and the assigning party shall remain primarily liable and responsible therefore notwithstanding any such assignment or delegation. Nothing in this Agreement shall be construed to confer a benefit on any person not a signatory party hereto or such signatory party's successors and assigns.
- 12. Waiver: At its option, either party may waive any or all of the obligations of the other party contained in this Agreement, but waiver of any obligation or any breach of this Agreement by either party shall in no event constitute a waiver as to any other obligation or breach or any future breach, whether similar or dissimilar in nature, and no such waiver shall be binding unless in writing signed by the waiving party.
- 13. Headings: The section and paragraph headings contained in this Agreement are for reference purposes only and shall not affect, in any way, the meaning or interpretation of this Agreement.
- 14. Counterparts: This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

ISSUED BY: J. B. Ramil, President

DATE EFFECTIVE:

- 15. Dispute Resolution: All disputes arising between the Company and the Customer under this Agreement shall be finally decided by the Commission in accordance with the applicable rules and procedures of the Commission.
- 16. Governing Law: This Agreement shall be construed and enforced in accordance with the laws of the State of Florida.
- 17. Confidentiality: The rates mutually agreed upon for transactions under this Agreement, as well as any information supplied by the Customer or the Company as part of any negotiations undertaken to reach agreement on transactions under this Agreement or after completion of any such transaction, are considered confidential, proprietary information of the parties. Upon the Commission's request, information concerning any transaction hereunder shall be made available for review solely by the Commission and its staff. Such review shall be made in accordance with the confidentiality rules of the Commission.
- 18. Entire Agreement: This Agreement supersedes all previous agreements and representations either written or oral heretofore made between the Company and the Customer with respect to the matters contained herein. This Agreement, when duly executed, constitutes the only agreement between the parties hereto relative to the matters described herein.

IN WITNESS WHEREOF, the Customer and the Company have executed this Agreement the day and year first above written.

Witnesses: _____
 _____ by: _____
 _____ Its: _____
 _____ Attest: _____

Witnesses: _____ TAMPA ELECTRIC COMPANY
 _____ by: _____
 _____ Its: _____
 _____ Attest: _____

ISSUED BY: J. B. Ramil, President

DATE EFFECTIVE:

Exhibit A

Form of

**EMERGENCY ON-DEMAND ENERGY TRANSACTION
CONFIRMATION LETTER**

between

(Customer)

Tampa Electric Company
(Company)

Phone: (____) ____ - ____

Phone: (813) 225-5178

Fax: (____) ____ - ____

Fax: (813) 225-5127

Transaction

Commencement Date: _____

Transaction

Completion Date: _____

Hour	Expected Amount of Emergency On-Demand Energy (MWH)	Expected Amount of Standard As-Available Energy (MWH)	Emergency On-Demand Energy Rate (\$/MWH)	Hour	Expected Amount of Emergency On-Demand Energy (MWH)	Expected Amount of Standard As-Available Energy (MWH)	Emergency On-Demand Energy Rate (\$/MWH)
0000-0100	_____	_____	_____	1200-1300	_____	_____	_____
0100-0200	_____	_____	_____	1300-1400	_____	_____	_____
0200-0300	_____	_____	_____	1400-1500	_____	_____	_____
0300-0400	_____	_____	_____	1500-1600	_____	_____	_____
0400-0500	_____	_____	_____	1600-1700	_____	_____	_____
0500-0600	_____	_____	_____	1700-1800	_____	_____	_____
0600-0700	_____	_____	_____	1800-1900	_____	_____	_____
0700-0800	_____	_____	_____	1900-2000	_____	_____	_____
0800-0900	_____	_____	_____	2000-2100	_____	_____	_____
0900-1000	_____	_____	_____	2100-2200	_____	_____	_____
1000-1100	_____	_____	_____	2200-2300	_____	_____	_____
1100-1200	_____	_____	_____	2300-2400	_____	_____	_____

ISSUED BY: J. B. Ramil, President

DATE EFFECTIVE: _____

Tampa Electric Company

Print Name: _____

Title: _____

Agreement Date: _____

Print Name: _____

Title: _____

Agreement Date: _____

ISSUED BY: J. B. Ramil, President

DATE EFFECTIVE: