



Public Service Commission

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RECORDS AND REPORTING
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DATE: JUNE 29, 2000

TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYD)

FROM: DIVISION OF ECONOMIC REGULATION (DRAPER, GING)
DIVISION OF LEGAL SERVICES (C. KEATING)

RE: DOCKET NO. 000013-EI - PETITION BY TAMPA ELECTRIC COMPANY FOR APPROVAL OF PILOT PROGRAM TO IMPLEMENT SEASONAL FUEL FACTORS.

AGENDA: 07/11/00 - REGULAR AGENDA - TARIFF FILING - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: NONE

FILE NAME AND LOCATION: S:\PSC\ECR\WP\000013.RCM

CASE BACKGROUND

On January 4, 2000, Tampa Electric Company (TECO) filed a Petition for approval of a pilot program to implement seasonal fuel factors (petition). The proposed program offers interruptible customers the option to utilize a seasonal fuel factor in lieu of the current annual fuel factor.

On February 25, 2000, the Florida Industrial Power Users Group (FIPUG) filed a Petition to intervene. FIPUG stated that its members have a substantial interest in whether the Commission allows TECO to implement an experimental program which would offer interruptible customers the option to utilize seasonal fuel factors. Order No. PSC-00-0515-PCO-EI, issued March 8, 2000, granted FIPUG intervention.

At the February 29, 2000, Agenda Conference the Commission suspended TECO's proposed pilot program tariff to allow staff the

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opportunity to request more supporting data and additional time to evaluate the petition. In its response to staff's data request on March 15, 2000, TECO indicated that due to timing and customer preferences it will defer the implementation of the seasonal fuel factors until January 2001.

On June 13, 2000, prior to any action by this Commission on the merits of TECO's petition, TECO filed a Withdrawal of Petition. In the Withdrawal of Petition TECO proposes to close this docket and to raise the substance of the petition in the November 2000 Fuel and Purchased Power Cost Recovery Clause proceeding (fuel hearing).

DISCUSSION OF ISSUES

ISSUE 1: Should this docket be closed?

RECOMMENDATION: Yes. [Draper, C. Keating, Ging]

STAFF ANALYSIS: On January 4, 2000, TECO proposed to implement an optional experimental program which offers interruptible customers the option to utilize a seasonal fuel factor in lieu of the current annual fuel factor. The proposed seasonal fuel factors were based on TECO's projected fuel expenses and sales for the period January through December 2000, which were approved at the November 1999 fuel hearing.

In its petition, TECO had requested that the seasonal fuel factors become effective two months after the Commission issues the final order approving the seasonal rate. In its response to staff's data request on March 15, 2000, however, TECO indicated that due to timing and customer preferences it will defer the implementation of the seasonal fuel factors until January 2001. Since TECO will not implement the seasonal fuel factors until January 2001, the new seasonal fuel factors will be based on TECO's projected fuel expenses and sales for the period January through December 2001 which will be addressed in the November 2000 fuel hearing. Projection Filings and Testimony for the November 2000 fuel hearing are due September 21, 2000. TECO, FIPUG, and staff agreed that it would be appropriate to close the docket and consider TECO's proposed seasonal fuel factors at the November 2000 fuel hearing.

Because the Commission took action to suspend TECO's proposed tariff, this docket cannot be closed administratively. Commission approval is required to close the docket. Because TECO voluntarily withdrew its petition which was the subject of this docket, leaving no pending issues for the Commission to address in the docket, this docket should be closed.