

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Tampa  
Electric Company for revisions  
to Emergency On-Demand Energy  
Service Agreement.

DOCKET NO. 000759-EI  
ORDER NO. PSC-00-1510-TRF-EI  
ISSUED: August 18, 2000

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman  
E. LEON JACOBS, JR.  
LILA A. JABER

ORDER APPROVING TARIFF MODIFICATION

BY THE COMMISSION:

In Docket No. 000600-EI, this Commission granted a petition by Tampa Electric Company (TECO) to approve a "Service Agreement for the Purchase of Emergency On-Demand Energy at Negotiated Rates" (Service Agreement). (Order No. PSC-00-1158-TRF-EI, issued June 26, 2000). Under the Service Agreement, during times that TECO is unable to meet its firm retail load, qualifying facilities (QFs) would temporarily modify their internal operations to provide additional emergency energy to TECO. In return, TECO would pay incentive prices above and beyond those prices paid to QFs under TECO's as-available energy (COG-1) tariff. In approving TECO's Service Agreement, this Commission also approved TECO's request for cost recovery, subject to our review, through the Fuel and Purchased Power Adjustment Clause (Fuel Clause).

When we approved TECO's Service Agreement in Docket No. 000600-EI, we requested that TECO consider extending the terms of the Service Agreement to include interruptible customers. As a result, on June 22, 2000, TECO petitioned this Commission for approval to revise the Service Agreement. The revision allows TECO to purchase emergency energy from QFs to serve interruptible customers with "buy-through" energy in lieu of interruption. TECO requests that all energy costs for these buy-through purchases be recovered through the "optional provision" charges paid by interruptible customers, rather than from all customers through the Fuel Clause.

DOCUMENT NUMBER-DATE

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We believe that TECO's revised Service Agreement, Attachment 1, is a reasonable means for TECO to secure short-term, on-demand emergency energy from QFs when needed by interruptible customers for buy-through purposes. TECO's general body of ratepayers will not incur any charges under the revised Service Agreement for these purchases. Rather, TECO will recover these costs through the "optional provision" charges levied on those interruptible customers who choose to take buy-through energy in lieu of interruption. For this reason, we approve TECO's petition to revise its emergency on-demand energy service agreement.

Based on the foregoing, it is

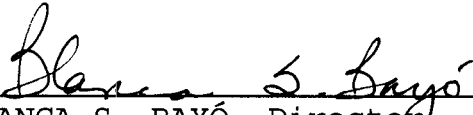
ORDERED by the Florida Public Service Commission that Tampa Electric Company's revised Service Agreement regarding the purchase of emergency on-demand energy from interruptible customers is hereby approved. It is further

ORDERED that the revised Service Agreement shall take effect on August 1, 2000, the date of our vote in this matter. It is further

ORDERED that if a protest is filed within 21 days of issuance of the Order, the tariff shall remain in effect with any charges held subject to refund pending resolution of the protest. It is further

ORDERED that if no timely protest is filed, this docket shall be closed upon the issuance of a Consummating Order.

By ORDER of the Florida Public Service Commission this 18th day of August, 2000.

  
\_\_\_\_\_  
BLANCA S. BAYÓ, Director  
Division of Records and Reporting

( S E A L )

RNI

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NOTICE OF FURTHER PROCEEDINGS

The Florida Public Service Commission is required by Section 120.569(1), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

Mediation may be available on a case-by-case basis. If mediation is conducted, it does not affect a substantially interested person's right to a hearing.

The Commission's decision on this tariff is interim in nature and will become final, unless a person whose substantial interests are affected by the proposed action files a petition for a formal proceeding, in the form provided by Rule 28-106.201, Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on September 8, 2000.

In the absence of such a petition, this Order shall become final and effective upon the issuance of a Consummating Order.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

**TAMPA ELECTRIC COMPANY**

**FIRST REVISED SHEET NO. 8.800  
CANCELS ORIGINAL SHEET NO. 8.800**

**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 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:**

M E M O R A N D U M

AUGUST 21, 2000

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RECORDS AND  
REPORTING

TO: DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF LEGAL SERVICES (R. ISAAC) *MR RUE*

RE: DOCKET NO. 000759-EI - PETITION BY TAMPA ELECTRIC COMPANY  
FOR REVISIONS TO EMERGENCY ON-DEMAND ENERGY SERVICE  
AGREEMENT.

*1510-TRF*

Attached is an ORDER APPROVING TARIFF MODIFICATION, with attachment, to be issued in the above-referenced docket. (Number of pages in order - 4)

RNI/jb

Attachment

cc: Division of Economic Regulation (E. Draper)

Division of Safety and Electric Reliability (Haff)

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*Attach not online*  
**ATTACHMENT(S) NOT ON-LINE**

*I mailed  
RAB*