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October 19, 2000

HAND DELIVERED



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

Fuel and Purchased Power Cost Recovery Clause with Generating Performance

Incentive Factor; FPSC Docket No. 000001-EI

Dear Ms. Bayo:

Enclosed for filing in the above docket are the original and ten (10) copies of Tampa Electric Company's Statement of Issues and Positions.

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

JDB/pp Enclosures

All parties of record (w/encls.)

cc:

APP

CMP

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DOCUMENT NUMBER-DATE

3349 OCT 198

FPSC-RECORDS/REPORTING

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BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and Purchased)	
Power Cost Recovery Factor)	
and Generating Performance)	DOCKET NO. 000001-EI
Incentive Factor.)	FILED: October 19, 2000
)	

TAMPA ELECTRIC COMPANY'S STATEMENT OF ISSUES AND POSITIONS

Tampa Electric Company ("Tampa Electric" or "the company") hereby submits its Statement of the Issues and Positions to be taken up at the hearing scheduled to commence on November 20, 2000 in the above docket.

FUEL ADJUSTMENT

<u>Issue No. 1</u>: What is the appropriate final true-up amount for Tampa Electric Company for the January 1, 1999 through December 31, 1999 period?

<u>Tampa Electric's Position</u>: \$8,662,661 underrecovery. (Witness: Jordan)

<u>Issue No. 2</u>: What is the appropriate projected fuel adjustment true-up amount for the period January 2000 through December 2000, based upon a final true-up for the period January 2000 through May 2000, and a reprojected true-up for the period June 2000 through December 2000?

Tampa Electric's Position: \$42,721,321 underrecovery. (Witness: Jordan)

<u>Issue No. 3</u>: What is the appropriate levelized fuel adjustment factor for Tampa Electric to apply during the period January 2001 through December 2001?

<u>Tampa Electric's Position</u>: The appropriate factor is 2.500 cents per KWH before the normal application of factors that adjust for variations in line losses. (Witnesses: Brown, Buckley, Burkhardt, Jordan)

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<u>Issue No. 4</u>: What is the appropriate 1999 benchmark price for coal Tampa Electric Company purchased from its affiliate, Gatliff Coal Company?

Tampa Electric's Position: \$45.07/Ton. (Witness: Burkhardt)

<u>Issue No. 5</u>: Does Tampa Electric propose to recover any costs associated with coal purchases provided by Gatliff Coal Company that exceed the 1999 benchmark price?

Tampa Electric's Position: No. (Witnesses: Burkhardt; Jordan)

<u>Issue No. 6</u>: What is the appropriate 1999 waterborne coal transportation benchmark price for transportation services provided by affiliates of Tampa Electric Company?

<u>Tampa Electric's Position</u>: \$25.85/Ton. (Witness: Burkhardt)

<u>Issue No. 7</u>: Does Tampa Electric propose to recover any costs associated with transportation services provided by affiliates of Tampa Electric Company that exceed the 1998 waterborne transportation benchmark price?

Tampa Electric's Position: No. (Witnesses: Burkhardt, Jordan)

CAPACITY COST RECOVERY

<u>Issue No. 8</u>: What is the appropriate final net true-up amount for Tampa Electric for the period January 1999 through December 1999?

<u>Tampa Electric's Position</u>: The appropriate final true-up amount is \$94,943 under-recovery. (Witness: Jordan)

<u>Issue No. 9</u>: What is the appropriate projected capacity cost recovery net true-up amount for the period January 2000 through December2000, based upon the true-up experienced during the January 2000 through May 2000 period and the reprojected true-up for the period June 2000 through December 2000?

<u>Tampa Electric's Position</u>: \$1,997,239 overrecovery. (Witness: Jordan)

<u>Issue No. 10</u>: What is the appropriate capacity cost recovery factor for Tampa Electric to apply during the period January 2001 through December 2001?

<u>Tampa Electric's Position</u>: The appropriate factor is 0.202 cents per KWH before applying the 12 CP and 1/13 allocation methodology, and producing the capacity recovery factors by rate schedule. (Witness: Jordan)

GENERATING PERFORMANCE INCENTIVE FACTOR

<u>Issue No. 11</u>: What is the appropriate GPIF Reward or Penalty for the period January 1, 1999 through December 31, 1999 for Tampa Electric:

Tampa Electric's Position: A penalty in the amount of \$1,151,236. (Witness: Buckley)

<u>Issue No. 12</u>: What are the appropriate GPIF targets and ranges for the period January 1, 2001 through December 31, 2001?

Tampa Electric's Position: The appropriate targets and ranges are shown in the Exhibit to the prefiled testimony of Mr. Brian S. Buckley, also attached hereto as Attachment "A". (Witness: Buckley)

SEASON FUEL FACTOR PILOT PROGRAM

<u>Issue No. 13</u>: Should the Commission approve the implementation of Tampa Electric's proposed experimental pilot program that offers optionally seasonally differentiated fuel factors for customers on interruptible rate schedules?

<u>Tampa Electric's Position</u>: Yes, for the reasons stated and in the manner described in the prepared direct testimony of Tampa Electric witness J. Denise Jordan.

<u>Issue No. 14</u>: What are the appropriate seasonal fuel and purchased power cost recovery factors by rate schedule for January 2001 through December 31, 2001?

Tampa	Electric's	Position:

Fuel Charge

Factor (cents per kWh)

		
Rate Schedule	Non-Summer	Summer
IS-1, IS-3, SBI-1, SBI-3	2.345	2.626
IST-1, IST-3 (on peak)	2.777	4.020
(off peak)	2.173	1.941

WHOLESALE INCENTIVE BENCHMARK MECHANISM

<u>Issue No. 15</u>:

What is the appropriate means of implementing the wholesale incentive benchmark mechanism approved by the Commission in Docket No. 991779-EU?

Tampa Electric's Position: The benchmark should be calculated using a rolling three-year average of the company's gains on nonseparated wholesale sales, excluding emergency sales. The company's projected 2001 benchmark should be the three-year average of gains for 1998, 1999 and the estimated/actual for 2000, to be trued up in the April 2001 true-up filing. The appropriate use of the benchmark is described in the testimony of Tampa Electric witness Denise Jordan.

Issue No. 16: What is the appropriate projected benchmark for Tampa Electric for 2001?

Tampa Electric's Position: \$4,648,490.

EFFECTIVE DATE OF PROPOSED FACTORS

<u>Issue No. 17</u>: What should be the effective date of the fuel adjustment charge and capacity cost recovery charge for billing purposes?

Tampa Electric's Position: The new factors should be effective beginning with the first billing cycle for January 2001 and thereafter through the last billing cycle for December 2001. The first billing cycle may start before January 1, 2001 and the last billing cycle may end after December 31, 2001 so long as each customer is billed for 12 months regardless of when the factors became effective.

DATED this / day of October, 2000.

Respectfully submitted,

LEE L. WILLIS

JAMES D. BEASLEY

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ATTORNEYS FOR TAMPA ELECTRIC COMPANY

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing Issues and Positions, filed on

behalf of Tampa Electric Company, has been furnished by U. S. Mail or hand delivery (*) on this

19 day of October 2000 to the following:

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