## AUSLEY & MCMULLEN

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August 4, 2010



## HAND DELIVERED

Ms. Ann Cole, Director Division of Commission Clerk Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re:

Review of the Continuing Need and Cost Associated with Tampa Electric

Company's Five Combustion Turbines and Big Bend Rail Facility;

FPSC Docket No. 090368-EI

Dear Ms. Cole:

Enclosed for filing in the above docket are the original and five copies of Tampa Electric Company's revised answers to the Florida Public Service Commission Staff's Second Data Requests Nos. 2 and 4 dated July 30, 2010.

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 Enclosure

cc:	Keino Young (w/enc.)				
OM	Division of Economic Regulation (Slemkewicz, Bulecza-Banks, Chase, Cicchetti,				
PA	Draper, Kummer, Maurey, Salnova, Willis) (w/enc.)				
CR 2	John W. McWhirter, Jr. (w/enc.)				
GCL L	Vicki Gordon Kaufman/Jon C. Moyle, Jr. (w/enc.)				
RAD L	J. R. Kelly (w/enc.)				
SSC	Paula K. Brown (w/enc.)	000005 3 1 3 6 6 6 6 6 8 7 6			
	Cecilia Bradley (w/enc.)				
ADM	Robert Scheffel Wright (w/enc.)	6427 AUG-49			
OPC	<u> </u>	0 4 L / R00 4 L			
CLK		PPSC+CAV RESIDENTE			

TAMPA ELECTRIC COMPANY DOCKET NO. 090368-EI STAFF'S SECOND DATA REQUEST REQUEST NO. 2 PAGE 1 OF 1 FILED: AUGUST 2, 2010

REVISED: AUGUST 4, 2010

- 2. Please explain the basis for providing IS customers with a \$1.28 million reduction in base rates effective January 1, 2011, and how that benefits the general body of ratepayers.
- A. The \$1.28 million reduction in rates for IS customers, likewise, was a component of the overall settlement negotiated between the parties. All customers will benefit as a result of the inclusion of this provision in that non-IS customers will receive the vast majority of the \$24 million one-time refund and will not have to contribute on a going-forward basis to the \$1.28 million reduction in IS rates. Additionally, all parties will benefit from avoiding the cost, delay and uncertainties associated with further litigation. Simply stated, the \$1.28 million reduction was one aspect of the settlement to satisfy all parties that the settlement was fair to all affected stakeholders.

TAMPA ELECTRIC COMPANY DOCKET NO. 090368-EI STAFF'S SECOND DATA REQUEST REQUEST NO. 4 PAGE 1 OF 1

FILED: AUGUST 2, 2010 REVISED: AUGUST 4, 2010

- 4. Please provide the calculation showing how the \$22.72 million refund amount will be allocated to the various non-IS customer classes, and how the refund per customer will be calculated.
- A. Provided below is the calculation showing how the \$22.72 million refund amount will be allocated to the various non-IS customer classes, and how the refund per customer will be calculated.

	12CP Allocation Factor (%)	(2) One-Time 2010 Refund Amount	(3)  Refund  Allocation  (1)×(2)	(4) Average Monthly MWH Usage	(5) Refund (¢) per kWh* (3)÷(4)
RS/GS	61.6	\$22,720,000	\$13,995,520	755,721	1.852
GSD	38.0	\$22,720,000	\$8,633,600	687,222	1.256
LS	0.4	\$22,720,000	\$90,880	18,789	0.484
			\$22,720,000		

\* With the inclusion of gross receipts tax savings, the total impact of the refund on a cents per kWh basis is 1.899, 1.256 and 0.496 for RS/GS, GSD and LS, respectively.