

# 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

October 20, 1997

HAND DELIVERED

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

Re: **NOTICE OF INTENT TO SEEK CONFIDENTIAL CLASSIFICATION OF INFORMATION**

Investigation into Earnings for 1995 and 1996 of Tampa Electric Company; FPSC Docket No. 950379-EI

Dear Ms. Bayo:

This will serve as Tampa Electric Company's notice of its intent to seek confidential classification pursuant to Section 366.094, Florida Statutes, of certain highlighted information contained in certain documents informally requested by Staff in the above proceeding. Such documents are a portion of Tampa Electric's response to Staff's informal data request, and are being submitted this date to your office under a separate confidential cover letter. Attached is a copy of Staff's informal request for production of documents. All of the remaining pages of Tampa Electric's response to the Staff's data request which do not contain confidential information are being supplied directly to the Staff.

Pursuant to Fla. Admin. Code Rule 25-22.006(3)(a), Tampa Electric will follow up this notice with a request for confidential classification of the highlighted information within 21 days of the date of this filing.

For purposes of minimizing administrative efforts on behalf of all concerned, Tampa Electric requests that the Staff review these documents and, to the extent possible, return them to the company prior to the expiration of the 21 day period.

RECEIVED

This Notice of Intent was filed with Confidential Document No. 10757-97. The document has been placed in the confidential files pending receipt of a request for confidential treatment.

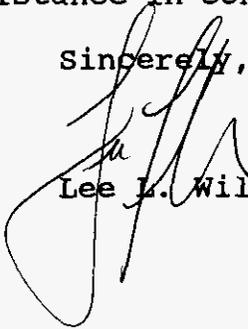
DOCUMENT NUMBER-DATE  
10756 OCT 20 97  
FPSC-RECORDS/REPORTING

Ms. Blanca S. Bayo  
October 20, 1997  
Page Two

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,



Lee L. Willis

LLW/pp  
Attachment

cc: All Parties of Record (w/o attachment)

STATE OF FLORIDA

Commissioners:  
JULIA L. JOHNSON, CHAIRMAN  
J. TERRY DEASON  
SUSAN F. CLARK  
DIANE K. KIESLING  
JOE GARCIA



TIMOTHY DEVLIN, DIRECTOR  
AUDITING & FINANCIAL ANALYSIS  
(850) 413-6480

## Public Service Commission

September 9, 1997

Lee Willis, Esquire  
Ausley & McMullen  
Post Office Box 391  
Tallahassee, FL 32301

**Re: Docket No. 950379-EL, Investigation into earnings for 1995 and 1996 of Tampa Electric Company**

Dear Mr. Willis:

The Staff requests that Tampa Electric Company respond to the attached requests for data and documents on an informal basis by October 3, 1997. This will assist in the effort to expedite the review of Tampa Electric Company's 1996 earnings and to conclude the process before the end of 1997.

If any of the responses require longer than October 3, 1997, to complete, it is requested that you inform me by September 19, 1997.

Thank you for your cooperation in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim J. Devlin".

Timothy J. Devlin  
Director

TJD:sh  
Attachments

cc: Roger Howe  
Vicki Gordon Kaufman  
Gordon Gillette

RECEIVED

SEP 13 1997

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 950379-EI**

**PRODUCTION OF DOCUMENTS**

1. Please provide copies of all reports or reviews for Tampa Electric Company and TECO Energy, Inc. prepared by or for investment banking firms during or for 1997.
2. Please provide copies of all reports or analyses for Tampa Electric Company and TECO Energy, Inc. prepared by or for Standard & Poor's during or for 1997.
3. Please provide copies of all reports or analyses for Tampa Electric Company and TECO Energy, Inc. prepared by or for Moody's Investor Services during or for 1997.
4. For both Tampa Electric Company and TECO Energy, Inc., please provide copies of all reports, reviews, and analyses for the past two years where the subject has been equity ratio, debt ratio, capital structure, cost of capital, or cost of debt.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 950379-EI**

**DATA REQUESTS**

1. Please provide a schedule recalculating the FPSC adjusted average cost of capital for December 1996 assuming that the cumulative amount of deferred revenue is specifically identified as short-term debt **at a rate of 5.46%** and the acquisition adjustment and investment in the Lake Agnes-Cane Island transmission line are removed from rate base consistent with Order No. PSC-97-0436-FOF-EI.
2. Please provide a schedule for TECO Energy, Inc. for fiscal year 1996 which itemizes the amount of equity, assets, net income, and return on equity for each company (i.e., Tampa Electric Company, TECO Coal, TECO Power Services, etc.). The sum of the amounts should balance to the consolidated amounts for TECO Energy, Inc.
3. Please provide a schedule which details the actual common equity ratio for Tampa Electric Company and TECO Energy, Inc. on a quarterly basis for 1995, 1996, and through the second quarter of 1997.
4. Please explain in detail management's rationale for employing a greater level of equity capitalization (equity ratio) at the regulated utility level than at the consolidated parent company level.
5. For fiscal 1996, what was the common equity ratio for TECO Energy's non-regulated businesses, on a consolidated basis? In other words, what was TECO Energy's equity ratio for 1996 excluding Tampa Electric Company?
6. For fiscal 1996, what was the amount of dividends Tampa Electric Company paid TECO Energy, Inc.?
7. For fiscal 1996, what was the amount of contributed capital from the parent (TECO Energy, Inc.) to Tampa Electric Company?
8. For 1996, please provide a schedule showing the surveillance report adjustments necessary to remove the amounts associated with the Lake Agnes-Cane Island transmission line from the rate base, income statement and capital structure on a 13-month average basis.
9. Please provide the 1996 13-month average amounts of the deferred revenues segregated between the amounts related to 1995's revenues and to 1996's revenues.

**TAMPA ELECTRIC COMPANY  
DOCKET NO. 950379-EI**

**DATA REQUESTS**

10. Assuming that no earnings stipulation was in effect, provide a schedule that includes the necessary pro forma adjustments to restate the "FPSC Adjusted" amounts for the December 1996 average rate base and income statement to reverse the recording of the 1996 deferred revenues. Please include a calculation of the resulting return on equity. (See TECO's answer, filed November 18, 1996, to Interrogatory No. 34 of Staff's Third Set of Interrogatories)
11. Please provide the jurisdictional amount of interest expense associated with the debt included in the "FPSC Adjusted" capital structure as filed for 1996.
12. Please explain the "Opt Prov Revenue and Third Party Purcha" adjustment made to the income statement and the reason(s) why identical adjustments are made to both revenues and expenses.
13. Please explain how net cost recovery clause over/under recoveries have been treated in working capital. Please provide the amounts associated with each clause separately.