BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of revised facilities rental agreement and revised tariff by Tampa Electric Company.

DOCKET NO. 021139-EI ORDER NO. PSC-03-0116-TRF-EI ISSUED: January 21, 2003

The following Commissioners participated in the disposition of this matter:

LILA A. JABER, Chairman J. TERRY DEASON BRAULIO L. BAEZ RUDOLPH "RUDY" BRADLEY CHARLES M. DAVIDSON

ORDER APPROVING TARIFF FILING

BY THE COMMISSION:

BACKGROUND

In a petition filed in this docket on November 12, 2002, Tampa Electric Company (TECO or company) requested our approval to revise its Facilities Rental Agreement and respective tariff. The Facilities Rental Agreement was a part of the General Service Industrial Load Management Rider and General Service Industrial Standby Supplemental Load Management Rider approved by this Commission on February 1, 2000, in Docket No. 990037-EI. See Order No. PSC-00-0374-S-EI issued February 22, 2000.

We have jurisdiction over this matter pursuant to Sections 366.03, 366.04, 366.06, and 366.07, Florida Statutes.

REVISION TO FACILITIES RENTAL AGREEMENT

The Facilities Rental Agreement is a contract that allows customers to lease distribution equipment, such as transformers, from TECO. The monthly rental charge under the contract covers the equipment and installation costs, but does not include maintenance expenses. The current Facilities Rental Agreement does not

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indicate whether the company or the customer is responsible for the costs of maintaining the rented equipment. TECO proposes to revise its Facilities Rental Agreement by adding language clarifying that maintenance expenses are not included in the monthly rental charge, and any maintenance service furnished by TECO will be billed separately to the customer.

The clarifying language concerning the payment of maintenance expenses is shown below:

As consideration for maintaining the facilities, the Customer shall reimburse the Company for the cost of required maintenance performed by Tampa Electric or a company-approved contractor. Maintenance shall be priced at cost and billed to the Customer as incurred, separate from the monthly rental charge.

Additionally, TECO's Facilities Rental Agreement does not provide a sufficient description of the expenses included in the monthly rental charge. TECO's proposed revision specifies the costs that are included. The new language is underlined below:

As consideration for furnishing the Facilities, the Customer shall pay to the Company a monthly rental charge covering equipment and installation costs.

TECO has not entered into any Facilities Rental Agreements to date, and thus no current customers will be affected by the proposed revisions. TECO's proposed revisions properly assign the payment of maintenance expenses to the customers that benefit from this service. The proposed language is similar to that found in other utilities' rental agreements, and these revisions will prevent the general body of ratepayers from absorbing the cost of rental maintenance expenses.

Based upon our review and pursuant to Sections 366.06 and 366.07, Florida Statutes, we hereby approve TECO's proposal.

Based on the foregoing, it is

ORDERED by the Florida Public Service Commission that the petition of Tampa Electric Company to revise its Facilities Rental

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Agreement and respective tariff is approved as set forth in the body of this Order. It is further

ORDERED that this tariff shall become effective on January 7, 2003. It is further

ORDERED that if a protest is filed within 21 days of the issuance of the order, this tariff shall remain in effect with any increase 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 <u>21st</u> day of <u>January</u>, 2003.

BLANCA S. BAYÓ, Director Division of the Commission Clerk and Administrative Services

Bv.

Kay Flynn, Chief

Bureau of Records and Hearing

Services

(SEAL)

RRJ

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.

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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 the Commission Clerk and Administrative Services, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, by the close of business on February 11, 2003.

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.