

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition of Tampa Electric)
Company for Approval of Certain)
Environmental Compliance Costs)
for Purposes of Cost Recovery.)

DOCKET NO. 960688-EI
FILED: May 31, 1996

**TAMPA ELECTRIC COMPANY'S PETITION FOR
APPROVAL OF CERTAIN ENVIRONMENTAL COMPLIANCE
ACTIVITIES FOR PURPOSES OF COST RECOVERY**

Tampa Electric Company ("Tampa Electric" or "the company"), pursuant to § 366.8255, Florida Statutes (1993), hereby petitions the Commission for approval of certain environmental compliance activities and for the recovery of the costs of those activities through an environmental cost recovery clause. In support of its Petition, Tampa Electric incorporates the prepared written direct testimony of and exhibits sponsored by witnesses Mary Jo Pennino, Hugh W. Smith, Douglas H. Finke and Jeffrey S. Chronister and states:

1. Tampa Electric is an investor-owned electric public utility subject to the Commission's jurisdiction pursuant to Chapter 366, Florida Statutes. Tampa Electric serves retail customers in Hillsborough and portions of Polk, Pinellas and Pasco Counties. The company's principal offices are located at 702 North Franklin Street, Tampa, Florida 33602.

2. The persons to whom all notices and other documents should be sent in connection with this docket are:

Angela Llewellyn
Regulatory Specialist
Regulatory and Business
Strategy
Post Office Box 111
Tampa, FL 33601

Lee L. Willis
James F. Beasley
Ausley & McMullen
Post Office Box 391
Tallahassee, FL 32302

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3. This petition is filed pursuant to Section 366.8255, Florida Statutes, which authorizes Commission regulated investor-owned electric utilities to submit to the Commission a petition describing the utility's proposed environmental compliance activities seeking recovery of projected environmental compliance costs in addition to any Clean Air Act compliance activities and costs. The Commission has implemented Section 366.8255, Florida Statutes, on a case-by-case basis for Florida Power & Light Company in October of 1993 and for Gulf Power Company in January of 1994.

4. Tampa Electric requests that it be permitted to allocate and recover environmental compliance costs consistent with prior rulings of the Commission through the environmental cost recovery clause ("ECRC").

5. As shown by the testimony and documents of Tampa Electric witnesses Douglas H. Finke and Jeffrey S. Chronister, the revenue requirements associated with environmental compliance costs for which Tampa Electric seeks recovery are projected to be \$2,788,332 during the period June 1996 through March 1997. Tampa Electric requests to recover these revenue requirements during the period October 1996 through March 1997.

6. The prepared direct testimonies and exhibits of the witnesses present:

- (a) A description of each of Tampa Electric's environmental compliance actions for which cost recovery is sought (testimony and exhibit of Douglas H. Finke);

- (b) A copy of or citation to the law, order, regulation or other requirement with which each environmental compliance action is intended to comply (testimony and exhibit of Hugh W. Smith);
- (c) The costs associated with each environmental compliance action (testimonies and exhibits of Douglas H. Finke and Jeffrey S. Chronister).

7. In addition, the testimonies of witnesses Hugh W. Smith, Douglas H. Finke and Mary Jo Pennino collectively provide an explanation of the appropriateness of each compliance action to achieve compliance with the applicable law, order, rule or other matter requiring environmental compliance action. The testimony demonstrates that the environmental compliance activities for which Tampa Electric seeks cost recovery are reasonable, prudent and necessary to enable Tampa Electric to comply with governmentally imposed environmental requirements.

8. For reasons more fully detailed in the Prepared Direct Testimony of witness Mary Jo Pennino, the environmental compliance costs sought to be approved for cost recovery purposes in this Petition are consistent with the provisions of Section 366.8255, Florida Statutes, and with prior rulings by the Commission with respect to environmental compliance cost recovery for other investor-owned electric utilities.

9. The schedule and procedures Tampa Electric requests the Commission to approve for use in reporting and changing recoverable environmental compliance costs to customers is the existing


schedule and basic implementation procedures used for the Commission approved fuel adjustment clause. Tampa Electric requests the establishment of an environmental cost recovery factor that would be applied for the first time to customer bills for the six month period of October 1996 through March 1997.

10. Following the establishment of initial environmental cost recovery factors, Tampa Electric proposes that the on-going administration of this clause be incorporated into the biannual environmental cost recovery docket, as is the case with Gulf Power Company and Florida Power & Light Company.

WHEREFORE, Tampa Electric Company respectfully petitions the Commission for approval of the recovery of the company's revenue requirements for the period June 1996 through March 1997 associated with the environmental compliance activities described in the body of this Petition in the amount of \$2,788,832 during the period October 1996 through March 1997 (corresponding with the fuel adjustment clause).

DATED this 31st day of May, 1996.

Respectfully submitted,



LEE L. WILLIS
JAMES D. BEASLEY
Ausley & McMullen
Post Office Box 391
Tallahassee, FL 32302
(904) 224-9115

ATTORNEYS FOR TAMPA ELECTRIC COMPANY