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March 27, 2002

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: Application of Tampa Electric Company for authority to issue and sell securities during the twelve months ending December 31,2001, pursuant to Section 366.04, F.S. and Chapter 25-8, F.A.C.;
DOCKET NO. 001060-EI

Dear Ms. Bayo:

Pursuant to Rule 25-8.009, Fla. Admin. Code, and this Commission's Order No. PSC-00-1894-FOF-EI issued October 16, 2000, we enclose an original and three copies of Tampa Electric Company's Consummation Report regarding the issuance and sale of securities during the fiscal year ended December 31, 2001.

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 (pp)

James D. Beasley

JDB/pp
Enclosures

BEFORE THE
FLORIDA PUBLIC SERVICE COMMISSION

IN RE: APPLICATION OF TAMPA ELECTRIC COMPANY FOR AUTHORITY TO ISSUE AND SELL SECURITIES PURSUANT TO SECTION 366.04, F.S., AND CHAPTER 25-8, F.A.C. DURING THE TWELVE MONTHS ENDING DECEMBER 31, 2001.

DOCKET 001060-EI
FILED: 03/27/02

CONSUMMATION REPORT

The applicant, Tampa Electric Company (the "Company's"), pursuant to Commission Order No. PSC-00-1894-FOF-EI dated October 16, 2000, submits the following information.

1. Fact of Issue

On June 25, 2001, the Company issued $250,000,000 of Notes due 2012, under its $500 million shelf registration, for the purpose of repayment of short-term debt and for general corporate purposes.

The Company regularly issues commercial paper for terms up to but not exceeding 270 days from the date of issuance. The commercial paper is sold at a discount, including the underwriting discount of the commercial paper dealer, at a rate comparable to interest rates being paid in the commercial paper market by borrowers of similar creditworthiness. Given the frequency of these sales, it is not practicable to give the details of each issue. However, the Company's commercial paper activity can be summarized as follows:

Commercial Paper Activity for the period beginning
January 1, 2001 and ending December 31, 2001
($ in thousands)

Commercial Paper Issued:	$7,666,170
Commercial Paper Matured:	$7,650,470
Average Outstanding:	$ 199,605
Weighted Average Yield:	4.18%
Weighted Average Term:	10 days

2. Terms and Conditions

The Notes, due June 15, 2012, bear interest at a rate of 6.875%. Interest is payable June 15 and December 15 of each year commencing December 15, 2001.

3. Net Proceeds from the Notes

$248,945,000	Note issue
(1,625,000)	Underwriting fee
$247,320,000	Net Proceeds

4. Statement of Capitalization

Statements of capitalization, pretax interest coverage, debt interest requirements and preferred stock dividend requirements for the electric division of the Company as of and for the year ending December 31, 2001 are as follows:

Capital Structure	
Short-term debt	$ 187,780,000
Long-term debt	891,745,000
Preferred stock	- 0 -
Common Equity	1,381,266,000
	$2,460,791,000
Pretax interest coverages	
Including AFUDC	4.91 times
Excluding AFUDC	4.71 times
Debt interest requirements	$ 63,657,689
Preferred stock dividends	$ 0

5. Expenses of the Issue

The bonds were offered to the public at an initial offering price of 99.578%. The transaction was underwritten as indicated below.

	Amount Underwritten	Underwriting Fee
Banc of America Securities LLC 100 North Tryon Street Charlotte, NC 28255	$150,000,000	$ 975,000
BNP Paribas Securities Corp. 787 Seventh Avenue New York, NY 10019	25,000,000	162,500
Scotia Capital (USA) Inc. 600 Peachtree Street, Suite 2700 Atlanta, GA 30308	25,000,000	162,500
TD Securities (USA) Inc. 31 West 52nd Street New York, NY 10019	25,000,000	162,500

Westdeutsche Landesbank Girozentrale 1211 Avenue of the Americas New York, NY 10036	25,000,000	162,500
	$250,000,000	$1,625,000

Actual expenses incurred to date for this issuance under the shelf registration are as follows:

Underwriting fee (.65%)	$1,625,000.00
Fees of underwriters' counsel	10,004.40
Legal fees and expenses of Company counsel	42,779.26
Legal fees and expenses of Trustees counsel	5,759.03
SEC Registration fee	62,500.00
Rating agency fees	30,000.00
Printing	9,190.07
Trustee fees	2,500.00
Fees and expenses of accountants	23,000.00
Total	$1,810,732.76

The Company also submits the following exhibits:

Exhibits

A. Prospectus and Prospectus Supplement
B. Indenture
C. Third Supplemental Indenture
D. 6.875% Note due 2012 (Global)
E. Underwriting Agreement
F. Opinions of Counsel
G. SEC filings

Respectfully submitted this
27th day of March 2002

TAMPA ELECTRIC COMPANY

By: _____
Gordon L. Gillette
Senior Vice President-
Finance and Chief
Financial Officer

Prospectus Supplement
(To Prospectus dated February 16, 2001)

$250,000,000

Tampa Electric Company

6.875% Notes due 2012

The notes will bear interest at 6.875% per year and will mature on June 15, 2012. We will pay interest on the notes on June 15 and December 15 of each year, beginning December 15, 2001. We may redeem some or all of the notes from time to time. The redemption prices are described on page S-5.

	Per Note	Total
Initial Public Offering Price (1)	99.578%	$248,945,000
Underwriting Discount	0.650%	$ 1,625,000
Proceeds to Tampa Electric Company (1)(2)	98.928%	$247,320,000

(1) Plus accrued interest, if any, from June 25, 2001.
(2) Before deduction of expenses payable by Tampa Electric Company.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus supplement or the accompanying prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

The notes will not be listed on any securities exchange. Currently, there is no public market for the notes.

The notes will be ready for delivery in book-entry form only through The Depository Trust Company on or about June 25, 2001.

Sole Book-running Manager:

Banc of America Securities LLC

BNP PARIBAS

Scotia Capital

TD Securities

Westdeutsche Landesbank Girozentrale

June 20, 2001

ABOUT THIS PROSPECTUS SUPPLEMENT

This document is in two parts. The first part is the prospectus supplement, which describes the specific terms of the notes we are offering and certain other matters relating to us and our financial condition. The second part, the accompanying prospectus, gives more general information about securities we may offer from time to time, some of which does not apply to the notes we are offering. Generally, when we refer to the prospectus, we are referring to both parts of this document combined. If the description of the offering varies between this prospectus supplement and the accompanying prospectus, you should rely on the information in this prospectus supplement.

This prospectus supplement contains forward looking statements. For a description of these statements and a discussion of the factors that may cause our actual results to differ materially from these statements, see "Forward Looking Statements" in the accompanying prospectus.

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You should rely only on the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus. We and the underwriters have not authorized anyone to provide you with different information. If you receive any other information, you should not rely on it. We and the underwriters are not making an offer of these securities, or soliciting an offer to buy these securities, in any state where the offer or solicitation is not permitted. You should not assume that the information contained in or incorporated by reference in this prospectus supplement and the accompanying prospectus is accurate as of any date other than the date of this prospectus supplement.

OFFERING SUMMARY

Issuer	Tampa Electric Company.
Notes Offered	$250 million aggregate principal amount of 6.875% Notes due 2012.
Maturity Date	June 15, 2012.
Interest Rate	The notes will bear interest at the rate of 6.875% per year from the issuance date to, but excluding, June 15, 2012.
Interest Payment Dates	June 15 and December 15, commencing on December 15, 2001. Interest payments will be made to the persons in whose names the notes are registered on the 15th calendar day immediately preceding the applicable interest payment date.
Denominations	$1,000 with integral multiples of $1,000.
Optional Redemption	The notes will be redeemable, at our option, in whole or in part from time to time, at the redemption prices described in "Description of the Notes — Optional Redemption". The notes may not be redeemed at any time at the option of the holders.
Ranking	The notes will be senior unsecured debt and will rank on a parity with our other unsecured and unsubordinated indebtedness.
Use of Proceeds	We will use the net proceeds from the sale of the notes to repay commercial paper and for general corporate purposes. Pending such uses, we will invest the net proceeds in short-term money market instruments.
Additional Issuances	We may, without the consent of the holders of the notes, issue additional notes having the same ranking and the same interest rate, maturity and other terms as the notes. Any additional notes having such similar terms, together with the notes, may constitute a single series of notes under the indenture.
Form	The notes will be represented by registered global securities registered in the name of Cede & Co., the partnership nominee of the depositary, The Depository Trust Company. Beneficial interests in the notes will be shown on, and transfers will be effected through, records maintained by DTC and its participants.
Trustee	The Bank of New York.

TAMPA ELECTRIC COMPANY

Tampa Electric, a division of Tampa Electric Company, provides electric energy and related services to over 568,000 residential, commercial and industrial customers in its West Central Florida service area covering approximately 2,000 square miles, including the City of Tampa and the surrounding areas. Tampa Electric has approximately 3,800 megawatts of generating capacity in operation, and is constructing additional capacity to serve its growing customer base. Tampa Electric is in the process of repowering an older coal-fired station to become a combined-cycle natural gas-fired facility. The repowering is expected to add 658 megawatts of generating capacity by 2004, significantly reduce emissions and enhance fuel diversity.

Peoples Gas System, a division of Tampa Electric Company acquired in 1997, is Florida's leading provider of natural gas. With a presence in most of Florida's major metropolitan areas, it serves over 262,000 residential and commercial customers. In early 2000, it completed a major expansion to Southwest Florida to market natural gas to a previously unserved high growth area of the state. Peoples Gas System is continuing its expansion into other areas of Florida previously unserved by natural gas.

RECENT DEVELOPMENTS

In May 2001, the Florida Public Service Commission opened a docket to review the impact on Tampa Electric's retail ratepayers of Tampa Electric's formation of, and participation in, the Florida Regional Transmission Organization, GridFlorida LLC. The Florida Public Service Commission Staff recommended similar reviews of Florida Power & Light Company's and Florida Power Corp.'s participation in GridFlorida LLC, in conjunction with separate, on-going regulatory proceedings involving Florida Power & Light Company and Florida Power Corp., respectively. The Florida Public Service Commission Staff has questioned the prudence of Florida investor-owned utility involvement in a regional transmission organization. On June 12, 2001, Tampa Electric, Florida Power & Light Company and Florida Power Corp. filed separate petitions with the Florida Public Service Commission requesting an expedited determination that formation of, and participation in, GridFlorida is prudent.

Submission of testimony and exhibits is scheduled for late July 2001, with a decision by the Florida Public Service Commission expected within 90 days thereafter.

As a result of the prudence reviews, Tampa Electric, as well as Florida Power & Light Company and Florida Power Corp. has suspended its formation and preparation efforts in regard to GridFlorida LLC pending the outcome of the Florida Public Service Commission's review.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth Tampa Electric Company's ratio of earnings to fixed charges for the periods indicated.

	Three Months Ended March 31, 2001	Twelve Months Ended March 31, 2001	Year Ended December 31,				
			2000	1999(1)	1998(2)	1997	1996(3)
Ratio of Earnings to Fixed Charges	3.92x	4.07x	4.14x	3.82x	4.51x	4.38x	4.40x

For the purposes of calculating these ratios, earnings consist of income before income taxes and fixed charges. Fixed charges consist of interest on indebtedness, amortization of debt premium, the interest component of rentals and preferred stock dividend requirements.

(1) Includes the effect of one-time, pretax charges totaling $18.3 million recorded in the third and fourth quarters of 1999. Charges consisted of the following: $10.5 million recorded based on Florida Public Service Commission audits of Tampa Electric's 1997 and 1998 earnings, which limited Tampa Electric's equity ratio to 58.7 percent; $3.5 million to resolve litigation filed by the U.S. Environmental Protection Agency; and $4.3 million for corporate income tax settlements related to prior years' tax returns. The

effect of these charges was to reduce the ratio of earnings to fixed charges. Had these charges been excluded from the calculation, the ratio of earnings to fixed charges would have been 4.61x for the year ended Dec. 31, 1999.

(2) Includes the effect of one-time, pretax charges totaling $16.9 million, as more fully explained in Note I to Item 8, Financial Statements and Supplementary Data of the Company's Annual Report on 10-K for the 1998 fiscal year. The effect of these charges was to reduce the ratio of earnings to fixed charges. Had these charges been excluded from the calculation, the ratio of earnings to fixed charges would have been 4.66x for the year ended Dec. 31, 1998.

(3) Amounts have been restated to reflect the merger of Peoples Gas System, Inc., with and into Tampa Electric Company.

USE OF PROCEEDS

We estimate that the net proceeds (after deducting underwriting discounts and commissions and estimated offering expenses) from the offering of the 6.875% Notes Due 2012 will be approximately $247.0 million. We expect to use the net proceeds from the offering of the notes to repay commercial paper and for general corporate purposes. Pending such uses, we will invest the net proceeds in short-term money market instruments. At May 31, 2001, we had $286.5 million of commercial paper outstanding with various remaining days until maturity of 29 days or less and with interest rates ranging from 4.00% to 4.22%.

DESCRIPTION OF THE NOTES

The following description of the particular terms of the notes that we are offering supplements the description of the general terms of the debt securities under the caption "Description of Debt Securities" in the accompanying prospectus. Capitalized terms not defined in this prospectus supplement are defined in the indenture, dated as of July 1, 1998, as amended and supplemented by the third supplemental indenture thereto, between us and The Bank of New York as trustee.

The following summaries of certain provisions of the indenture do not purport to be complete, and are subject to, and are qualified in their entirety by reference to, the provisions of the indenture, which has been filed with the SEC as an exhibit to the Registration Statement of which the prospectus forms a part. The indenture provides for the issuance from time to time of various series of debt securities, including the notes. Each series may differ as to terms, including maturity, interest rate, redemption and sinking fund provisions, covenants, and events of default. For purposes of the following description, unless otherwise indicated, a business day is any day that is not a day on which banking institutions in New York, New York are authorized or obligated by law or executive order to close.

General

The notes offered hereby will be our unsubordinated and unsecured obligations and will rank equally in right of payment with all of our other unsubordinated and unsecured indebtedness. The notes will not limit other indebtedness or securities that we or any of our subsidiaries may incur or issue or contain financial or similar restrictions on us or any of our subsidiaries. The notes do not have a sinking fund. We may, without the consent of the holders of the notes, issue additional notes having the same ranking and the same interest rate, maturity and other terms as the notes. Any additional notes having such similar terms, together with the notes, may constitute a single series of notes under the indenture.

The notes will be issued in fully registered form, without coupons, in minimum denominations of $1,000 or integral multiples of $1,000 in excess thereof. The notes will be initially issued as global securities. See "— Book-Entry, Delivery and Form" below for additional information concerning the notes and the book-entry system. The Depository Trust Company ("DTC") will be the depositary with respect to the notes. Settlement of the sale of the notes to the underwriters will be in immediately available funds. The notes will trade in DTC's Same-Day Funds Settlement System until maturity or earlier redemption, as the case may be, and secondary market trading activity in the notes will therefore settle in immediately available funds. We

will make all payments of principal and interest in immediately available funds to DTC in The City of New York.

Principal and Maturity

The notes will be limited initially to $250,000,000 in aggregate principal amount and will mature on June 15, 2012.

Interest

The notes will bear interest at 6.875% per year (computed based on a 360-day year consisting of twelve 30-day months) for the period from issuance to, but excluding, June 15, 2012. Interest on the notes will be payable semi-annually on June 15 and December 15 of each year, commencing December 15, 2001. Interest payments will be made to the persons in whose names the notes are registered on the 15th calendar day (whether or not a Business Day) immediately preceding the related interest payment date.

Optional Redemption

The notes are redeemable, in whole or in part, at any time, and at our option, at a redemption price equal to the greater of:

- 100% of the principal amount of the notes then outstanding to be redeemed, or
- the sum of the present values of the remaining scheduled payments of principal and interest on the notes then outstanding to be redeemed (not including any portion of such payments of interest accrued as of the redemption date) discounted to the redemption date on a semiannual basis (computed based on a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate, plus 25 basis points, as calculated by an Independent Investment Banker,

plus, in both of the above cases, accrued and unpaid interest thereon to the redemption date.

We will mail a notice of redemption at least 30 days but no more than 60 days before the redemption date to each holder of notes to be redeemed. If we elect to partially redeem the notes, the trustee will select in a fair and appropriate manner the notes to be redeemed.

Unless we default in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the notes or portions thereof called for redemption.

"Adjusted Treasury Rate" means, with respect to any redemption date:

- the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated "H.15(519)" or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption "Treasury Constant Maturities," for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three months before or after the Remaining Life, as defined below, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue will be determined and the Adjusted Treasury Rate will be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month); or
- if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

The Adjusted Treasury Rate will be calculated on the third business day preceding the redemption date.

"Comparable Treasury Issue" means the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the notes to be redeemed that would be used, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such notes (the "Remaining Life").

"Comparable Treasury Price" means (1) the average of five Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (2) if the Independent Investment Banker obtains fewer than five such Reference Treasury Dealer Quotations, the average of all such quotations.

"Independent Investment Banker" means Banc of America Securities LLC and its successors, or if that firm is unwilling or unable to serve as such, an independent investment and banking institution of national standing appointed by us.

"Reference Treasury Dealer" means:

- Banc of America Securities LLC and its successors; provided that, if Banc of America Securities LLC ceases to be a primary U.S. Government securities dealer in New York City (a "Primary Treasury Dealer"), we will substitute another Primary Treasury Dealer; and
- up to four other Primary Treasury Dealers selected by us.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker at 5:00 p.m., New York City time, on the third business day preceding such redemption date.

Book-Entry, Delivery and Form

The notes will be issued in the form of one or more securities in global form. Each global security will be deposited on the date of the closing of the sale of the notes with, or on behalf of DTC, and registered in the name of Cede & Co., as DTC's nominee.

DTC is a limited-purpose trust company created to hold securities for its participants and to facilitate the clearance and settlement of transactions in those securities between those participants through electronic book-entry changes in accounts of the participants. DTC's participants include securities brokers and dealers, banks, trust companies, clearing corporations and other organizations. Access to DTC's system is also available to other entities such as banks, brokers, dealers and trust companies that clear through or maintain a custodial relationship with a participant, either directly or indirectly (referred to as the "indirect participants"). Persons who are not participants may beneficially own securities held by or on behalf of DTC only through the participants or the indirect participants. The ownership interest and transfer of ownership interest of each actual purchaser of each security held by or on behalf of DTC are recorded on the records of the participants and indirect participants.

We expect that under procedures established by DTC, (1) upon deposit of the global securities, DTC will credit the accounts of participants designated by the underwriters with portions of the principal amount of the global securities and (2) ownership of such interests in the global securities will be shown on, and the transfer of ownership thereof will be effected only through, records maintained by DTC (with respect to the participants) or by the participants and the indirect participants (with respect to other owners of beneficial interests in the global securities).

Investors in the global securities may hold their interests directly through DTC if they are participants in that system, or indirectly through organizations which are participants in that system. All interests in a global security may be subject to the procedures and requirements of DTC. The laws of some states require that some persons take physical delivery in certificated form of securities that they own. Consequently, the ability to transfer beneficial interests in a global security to those persons will be limited to that extent. Because

DTC can act only on behalf of participants, which in turn act on behalf of indirect participants and some banks, the ability of a person with beneficial interests in a global security to pledge that interest to persons that do not participate in the DTC system, or to take other actions regarding that interest, may be affected by the lack of a physical certificate evidencing those interests.

Except as described below, owners of interests in the global securities will not have notes registered in their name, will not receive physical delivery of notes in certificated form and will not be considered the registered owners or holders of notes for any purpose.

Payments on the global securities registered in the name of DTC or its nominee will be payable by the trustee to DTC in its capacity as the registered holder under the indenture. Under the terms of the indenture, the trustee will treat the persons in whose names the notes, including the global securities, are registered, as the owners for the purpose of receiving those payments and for any and all other purposes.

Consequently, neither the trustee nor any agent of the trustee has or will have any responsibility or liability for:

- any aspect of DTC's records or any participant's or indirect participant's records relating to, or payments made on account of beneficial ownership interests in the, global security or for maintaining, supervising or reviewing any of DTC's records or any participant's or indirect participant's records relating to the beneficial ownership interests in the global security or
- any other matter relating to the actions and practices of DTC or any of its participants or indirect participants.

DTC's current practice, upon receipt of any payment on securities such as the notes, is to credit the accounts of the relevant participants with the payment on the payment date, in amounts proportionate to their respective holdings in principal amounts of beneficial interests in the relevant security as shown on the records of DTC unless DTC has reason to believe it will not receive payment on the payment date. Payments by the participants and the indirect participants to the beneficial owners of the notes will be governed by standing instructions and customary practices and will be the responsibility of the participants or the indirect participants and will not be the responsibility of DTC, the trustee or us. Neither we nor the trustee will be liable for any delay by DTC or any of its participants in identifying the beneficial owners of the notes, and we and the trustee may conclusively rely on and will be protected in relying on instructions from DTC or its nominee for all purposes.

DTC will take any action permitted to be taken by a holder of the notes only at the direction of one or more participants to whose account with DTC interests in the global securities are credited and only in respect of such portion of the notes as to which the participant or participants has or have given such direction. However, if there is an Event of Default, DTC reserves the right to exchange the global securities for notes in certificated form and to distribute the notes to its participants.

A global security is exchangeable for notes in registered certificated form if:

- DTC notifies us that it is unwilling or unable to continue as clearing agency for the global securities or has ceased to be a clearing agency registered under the Securities Exchange Act of 1934 and we fail to appoint a successor clearing agency,
- we in our sole discretion elect to cause the issuance of definitive certificated notes, or
- there has occurred and is continuing an event of default under the indenture.

The information in this section concerning DTC and its book-entry system has been obtained from sources that we believe to be reliable, but we have not independently determined the accuracy thereof. We will not have any responsibility for the performance by DTC or its participants of their obligations under the rules and procedures governing their operations.

UNDERWRITING

Subject to the terms and conditions specified in an underwriting agreement, among us and the underwriters named below, we have agreed to sell to each of the underwriters and each of the underwriters severally has agreed to purchase from us the principal amount of the notes set forth opposite its name below. The underwriting agreement provides that the obligations of the underwriters are subject to some conditions and that the underwriters will be obligated to purchase all of the notes if any are purchased.

Underwriters	Principal Amount of Notes
Banc of America Securities LLC	$150,000,000
BNP Paribas Securities Corp.	25,000,000
Scotia Capital (USA) Inc.	25,000,000
TD Securities (USA) Inc.	25,000,000
Westdeutsche Landesbank Girozentrale	25,000,000
	$250,000,000

The underwriters propose to offer the notes to the public at the public offering price specified on the cover page of this prospectus supplement, and to the dealers at that price less a concession of no more than 0.400% of the principal amount of the notes. The underwriters may allow, and the dealers may reallow, a discount of no more than 0.250% of the principal amount of the notes to other dealers. The public offering price, concession and discount may be changed after the offering of the notes to the public.

The notes are a new issue of securities with no established trading market. We do not intend to apply for listing of the notes on any national securities exchange or for quotation of the notes on any automated dealer quotation system. The underwriters have advised us that they intend to make a market in the notes after the offering, although they are under no obligation to do so. The underwriters may discontinue any market-making activities at any time without any notice. We can give no assurance as to the liquidity of the trading market for the notes or that a public trading market for the notes will develop. If no active public trading market develops, the market price and liquidity of the notes may be adversely affected. If the notes are traded, they may trade at a discount from their initial offering price, depending on factors such as prevailing interest rates, the market for similar securities and our performance, as well as other factors not listed here.

We have agreed to indemnify the underwriters against, or to contribute to payments that the underwriters may be required to make regarding some liabilities, including liabilities under the Securities Act of 1933.

The underwriters, as well as dealers and agents, may purchase and sell the notes in the open market. These transactions may include stabilizing transactions and purchases to cover syndicate short positions created in connection with the offering. Stabilizing transactions consist of bids and purchases made to prevent or slow a decline in the market price of the notes. Syndicate short positions arise when the underwriters or agents sell more notes than we are required to sell to them in the offering. The underwriters may also impose penalty bids by which the underwriting syndicate may reclaim selling concessions allowed to either syndicate members or broker dealers who sell notes in the offering for their own account if the syndicate repurchases the notes in stabilizing or covering transactions. These activities may stabilize, maintain or otherwise affect the market price of the notes, which may be higher as a result of these activities than it might otherwise be in the open market. These activities, if commenced, may be discontinued at any time without notice.

We and the underwriters make no representation or prediction as to the direction or magnitude of any effect that the transactions described above may have on the price of the notes. In addition, we and the underwriters make no representation that the underwriters will engage in those types of transactions or that those transactions, once commenced, will not be discontinued without notice.

The underwriters, and some of their affiliates, have provided, and may continue to provide, investment banking, financial advisory, commercial banking and other services to us and our affiliates and have received, and may continue to receive, customary fees in connection with those services.

We estimate that our share of the total expenses of the offering, excluding underwriting discounts and commissions, will be approximately $300,000.

LEGAL MATTERS

Palmer & Dodge LLP, Boston, Massachusetts will pass upon the validity of the notes offered hereby. Certain matters will be passed upon for the underwriters by Ropes & Gray, Boston, Massachusetts.

EXPERTS

The consolidated financial statements incorporated in this prospectus supplement by reference to the Annual Report on Form 10-K of Tampa Electric Company for the year ended December 31, 2000 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, independent certified public accountants, given on the authority of said firm as experts in auditing and accounting.

PROSPECTUS

Tampa Electric Company

Debt Securities

We plan to offer debt securities to the public from time to time.

We may offer the debt securities as separate series, in amounts, prices and on terms determined at the time of the sale. When we offer debt securities, we will provide a prospectus supplement or a term sheet describing the terms of the specific issue, including the offering price of the securities. **You should read this prospectus and the prospectus supplement or the term sheet, together with the additional information described under the heading "WHERE YOU CAN FIND MORE INFORMATION" beginning on page 8 of this prospectus, before you make your investment decision.**

We will sell the debt securities to underwriters or dealers, through agents, or directly to investors.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or determined if this prospectus is truthful or complete. Any representation to the contrary is a criminal offense.

This prospectus may not be used to sell securities unless accompanied by a prospectus supplement.

The date of this prospectus is February 16, 2001

Tampa Electric Company • 702 North Franklin Street • Tampa, Florida 33602 • (813) 228-4111

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RISK FACTORS

For each series of debt securities, we will include risk factors, if appropriate, in a prospectus supplement or term sheet relating to that series.

FORWARD LOOKING STATEMENTS

This prospectus, any prospectus supplement or term sheet, and the documents we have incorporated by reference may contain forward-looking statements. Such statements relate to future events or our future financial performance. We use words such as "anticipate," "believe," "expect," "may," "project," "will" or other similar words to identify forward-looking statements.

Without limiting the foregoing, any statements relating to our

- anticipated capital expenditures;
- future cash flows and borrowings;
- potential future merger opportunities; and
- sources of funding

are forward-looking statements. These forward-looking statements are based on numerous assumptions that we believe are reasonable, but they are open to a wide range of uncertainties and business risks and actual results may differ materially from those discussed in these statements.

Among the factors that could cause actual results to differ materially are:

- variations in weather conditions affecting energy sales and operating costs;
- potential competitive changes in the electric and gas industries, particularly in the area of retail competition;
- changes in environmental regulation that may impose additional costs or curtail some of our activities;
- federal and state regulatory initiatives that increase competition or costs, threaten investment recovery, or impact rate structure;
- available sources and costs of commodities;
- inflationary trends and other general economic conditions, particularly those affecting energy sales in our service area; and
- interest rates, market conditions and other factors that could impact our ability to obtain access to sufficient capital on satisfactory terms.

When considering forward-looking statements, you should keep in mind the cautionary statements in this prospectus, any prospectus supplement or term sheet and the documents incorporated by reference.

THE COMPANY

We are a public utility company which is a wholly-owned subsidiary of TECO Energy, Inc., a diversified energy-related holding company. We generate, purchase, transmit, distribute and sell electric energy for customers within west central Florida and, through our Peoples Gas System division, purchase, distribute and market natural gas for customers throughout Florida. You can find a more complete description of our business and our recent activities in the documents listed under "WHERE YOU CAN FIND MORE INFORMATION." The address of our principal executive office is 702 North Franklin Street, Tampa, Florida 33602, and our telephone number is (813) 228-4111.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our consolidated ratio of earnings to fixed charges for the periods shown.

Nine Months Ended September 30, 2000	Twelve Months Ended September 30, 2000(1)	Year Ended December 31,				
		1999(2)	1998(3)	1997	1996(4)	1995(4)
4.41x	4.10x	3.82x	4.51x	4.38x	4.40x	4.28x

For the purposes of calculating this ratio, earnings consist of income before income taxes and fixed charges. Fixed charges consist of interest on indebtedness, amortization of debt premium, the interest component of rentals and preferred stock dividend requirements.

(1) Includes the effect of non-recurring pretax charges totaling $3.5 million recorded in the fourth quarter of 1999 to resolve litigation filed by the U.S. Environmental Protection Agency. The effect of this charge was to reduce the ratio of earnings to fixed charges. Had this charge been excluded from the calculation, the ratio of earnings to fixed charges would have been 4.14x for the twelve-months ended September 30, 2000.

(2) Includes the effect of one-time, pre-tax charges totaling $18.3 million recorded in the third and fourth quarters of 1999. Charges consisted of the following: $10.5 million recorded based on audits of its 1997 and 1998 earnings by the Florida Public Service Commission which limited its equity ratio to 58.7 percent; $3.5 million to resolve litigation filed by the U.S. Environmental Protection Agency; and $4.3 million for corporate income tax settlements related to prior years' tax returns. The effect of these charges was to reduce the ratio of earnings to fixed charges. Had these charges been excluded from the calculation, the ratio of earnings to fixed charges would have been 4.61x for the year ended December 31, 1999.

(3) Includes the effect of one-time, pretax charges totaling $16.9 million. The effect of these charges was to reduce the ratio of earnings to fixed charges. Had these charges been excluded from the calculation, the ratio of earnings to fixed charges would have been 4.66x for the year ended December 31, 1998.

(4) Amounts have been restated to reflect the merger of Peoples Gas System, Inc., with and into Tampa Electric Company.

USE OF PROCEEDS

We intend to add the net proceeds from the sale of the debt securities to our general funds, to be used for general corporate purposes, which may include capital expenditures, investment in subsidiaries, working capital, repayment of debt and other business opportunities.

DESCRIPTION OF DEBT SECURITIES

The debt securities will be unsecured and will rank on parity with all our other unsecured and unsubordinated indebtedness. We will issue debt securities in one or more series under an indenture dated as of July 1, 1998 between us and The Bank of New York, as trustee. We filed the indenture as an exhibit to the registration statement of which this prospectus is a part. The following description of the terms of the debt securities summarizes the material terms that will apply to the debt securities. The description is not complete, and we refer you to the indenture which we incorporate by reference.

General

The indenture does not limit the aggregate principal amount of the debt securities or of any particular series of debt securities that we may issue under it. We do not need to issue debt securities of any series at the same time nor must the debt securities within any series bear interest at the same rate or mature on the same date.

Each time that we issue a new series of debt securities, the prospectus supplement or term sheet relating to that new series will describe the particular amount, price and other terms of those debt securities. These terms may include:

- the title of the debt securities;
- any limit on the total principal amount of the debt securities;
- the date or dates on which the principal of the debt securities will be payable or the method by which such date or dates will be determined;
- the rate or rates at which the debt securities will bear interest, if any, or the method by which such rate or rates will be determined, and the date or dates from which any such interest will accrue;
- the dates on which any such interest will be payable and the record dates, if any, for any such interest payments;
- if applicable, whether we may extend the interest payment periods and, if so, the permitted duration of any such extensions;
- the place or places where the principal of and interest on the debt securities will be payable;
- any obligation we may have to redeem or purchase the debt securities pursuant to any sinking fund, purchase fund or analogous provision or at the option of the holder and the terms and conditions on which the debt securities may be redeemed or purchased pursuant to an obligation;
- the denominations in which we will issue the debt securities, if other than denominations of $1,000;
- the terms and conditions, if any, on which we may redeem the debt securities;
- the currency, currencies or currency units in which we will pay the principal of and any premium and interest on the debt securities, if other than U.S. dollars, and the manner of determining the equivalent in U.S. dollars;
- whether we will issue any debt securities in whole or in part in the form of one or more global securities and, if so, the identity of the depositary for the global security and any provisions regarding the transfer, exchange or legending of any such global security if different from those described below under the caption "Global Securities;"
- any addition to, change in or deletion from the events of default or covenants described in this prospectus with respect to the debt securities and any change in the right of the trustee or the holders to declare the principal amount of the debt securities due and payable;
- any index or formula used to determine the amount of principal of or any premium or interest on the debt securities and the manner of determining any such amounts;
- any subordination of the debt securities to any other indebtedness of the Company; and
- other material terms of the debt securities.

Unless the prospectus supplement or term sheet relating to the issuance of a series of debt securities indicates otherwise, the debt securities will have the following characteristics:

We will only issue debt securities in fully registered form, without coupons, in denominations of $1,000 or multiples of $1,000. We will not charge a service fee for the registration, transfer or exchange of debt securities, but we may require a payment sufficient to cover any tax or other governmental charge payable in connection with registration, transfer or exchange.

The principal of, and any premium and interest on, any debt securities will be payable at the corporate trust office of The Bank of New York in New York, New York. Debt securities will be exchangeable and transfers thereof will be registrable at this corporate trust office. Payment of any interest due on any debt

security will be made to the person in whose name the debt security is registered at the close of business on the regular record date for interest.

We will have the right to redeem the debt securities only upon written notice mailed between 30 and 60 days prior to the redemption date.

If we plan to redeem the debt securities, before the redemption occurs we are not required to:

- issue, register the transfer of, or exchange any debt security of that series during the period beginning 15 days before we mail the notice of redemption and ending on the day we mail the notice; or
- after we mail the notice of redemption, register the transfer of or exchange any debt security selected for redemption, except if we are only redeeming a part of a debt security, we are required to register the transfer of or exchange the unredeemed portion of the debt security if the holder so requests.

We may offer and sell debt securities at a substantial discount below their principal amount. We will describe any applicable special federal income tax and other considerations, if any, in the relevant prospectus supplement or term sheet. We may also describe certain special federal income tax or other considerations, if any, applicable to any debt securities that are denominated in a currency or currency unit other than U.S. dollars in the relevant prospectus supplement or term sheet.

The debt securities do not provide special protection in the event we are involved in a highly leveraged transaction.

Global Securities

If we decide to issue debt securities in the form of one or more global securities, then we will register the global securities in the name of the depositary for the global securities or the nominee of the depositary and the global securities will be delivered by the trustee to the depositary for credit to the accounts of the holders of beneficial interests in the debt securities.

The prospectus supplement or term sheet will describe the specific terms of the depositary arrangement for debt securities of a series that are issued in global form. None of our company, the trustee, any payment agent or the security registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a global debt security or for maintaining, supervising or reviewing any records relating to these beneficial ownership interests.

Consolidation, Merger, Etc.

We will not consolidate or merge with or into any other corporation or other organization, or sell, convey or transfer all or substantially all of our assets to any individual or organization, unless:

- the successor is an individual or organization organized under the laws of the United States or any state thereof or the District of Columbia;
- the successor or transferee expressly assumes our obligations under the indenture; and
- the consolidation, merger, sale or transfer does not cause the occurrence of a default under the indenture.

Upon the assumption by the successor of our obligations under the indenture and the debt securities issued thereunder, and the satisfaction of any other conditions required by the indenture, the successor will succeed to and be substituted for us under the indenture.

Modification of the Indenture

The indenture provides that we or the trustee may modify or amend its terms with the consent of (i) the holders of not less than a majority in aggregate principal amount of the outstanding debt securities of each affected series and (ii) 66⅔% in aggregate principal amount of the outstanding debt securities of all affected

series. However, without the consent of each holder of all of the outstanding debt securities affected by that modification, we may not:

- change the date stated on the debt security on which any payment of principal or interest is stated to be due;
- reduce the principal amount or any premium or interest on, any debt security, including in the case of a discounted debt security, the amount payable upon acceleration of the maturity thereof;
- change the place of payment or currency of payment of principal of, or premium, if any, or interest on, any debt security;
- impair the right to institute suit for the enforcement of any payment on or with respect to any debt security after the stated maturity (or, in the case of redemption, on or after the redemption date); or
- reduce the percentage in principal amount of outstanding debt securities of any series, the consent of the holders of which is required for modification or amendment of the indenture, for waiver of compliance with some provisions of the indenture or for waiver of some defaults.

Under limited circumstances and only upon the fulfillment of conditions, we and the trustee may make modifications and amendments of the indenture without the consent of any holders of the debt securities.

The holders of not less than a majority in aggregate principal amount of the outstanding debt securities of any series may waive any past default under the indenture with respect to that series except:

- a default in the payment of principal of, or any premium or interest on, any debt security of that series;
- in respect of a covenant or provision under the indenture which cannot be modified or amended without the consent of the holder of each outstanding debt security of the affected series.

Events of Default

Any one of the following events is an event of default with respect to debt securities of any series issued under the indenture (unless inapplicable to the particular series, specifically modified or deleted as a term of such series or otherwise modified or deleted in an indenture supplemental to the indenture):

- we fail to pay any interest on any debt security of that series when due, and such failure has continued for 30 days;
- we fail to pay principal of or premium, if any, on any debt security of that series when due;
- we fail to deposit any sinking fund payment in respect of any debt security of that series when due, and such failure has continued for 30 days;
- we fail to perform any other covenant in the indenture (other than a covenant included in the indenture solely for the benefit of a series of debt securities other than that series), and such failure has continued for 90 days after we receive written notice as provided in the indenture;
- events of bankruptcy, insolvency or reorganization; and
- any other event defined as an event of default with respect to debt securities of a particular series.

If an event of default with respect to any series of debt securities occurs and is continuing, the trustee or the holders of not less than 25% in principal amount of the outstanding debt securities of that series may declare the principal amount (or, if any debt securities of that series are discounted debt securities, a portion of the principal amount that the terms of the series may specify) of all debt securities of that series to be immediately due and payable. Under some circumstances, the holders of a majority in principal amount of the outstanding debt securities of that series may rescind and annul such declaration and its consequences. The prospectus supplement or term sheet relating to any series of debt securities that are discounted debt securities will specify the particular provisions relating to acceleration of a portion of the principal amount of the

discounted debt securities upon the occurrence of an event of default and the continuation of the event of default.

Subject to the provisions of the indenture relating to the duties of the trustee in case an event of default occurs and is continuing, the trustee is not obligated to exercise any of its rights or powers under the indenture at the request or direction of any of the holders unless the holders have offered to the trustee reasonable security or indemnity. Subject to such provisions for security and indemnification of the trustee and other rights of the trustee, the holders of a majority in principal amount of the outstanding debt securities of any series have the right to direct the time, method and place of conducting any proceedings for any remedy available to the trustee or exercising any trust or power conferred on the trustee with respect to the debt securities of that series.

The holder of any debt security will have an absolute and unconditional right to receive payment of the principal of and any premium and, subject to limitations specified in the indenture, interest on such debt security on its stated maturity date (or, in the case of redemption, on the redemption date) and to institute suit for the enforcement of any of these payments.

We must furnish to the trustee an annual statement that to the best of our knowledge we are not in default in the performance and observance of any terms, provisions or conditions of the indenture or, if there has been such a default, specifying each default and its status.

Satisfaction and Discharge of the Indenture

We will have satisfied and discharged the indenture and it will cease to be in effect (except as to our obligations to compensate, reimburse and indemnify the trustee pursuant to the indenture and some other obligations), when we deposit or cause to be deposited with the trustee, in trust, an amount sufficient to pay and discharge the entire indebtedness on the debt securities not previously delivered to the trustee for cancellation, for the principal (and premium, if any) and interest to the date of the deposit (or to the stated maturity date or earlier redemption date for debt securities that have been called for redemption).

Defeasance of Debt Securities

Unless otherwise provided in the prospectus supplement or term sheet for a series of debt securities, we may cause ourself (subject to the terms of the indenture) to be discharged from any and all obligations with respect to any debt securities or series of debt securities (except for certain obligations to register the transfer or exchange of such debt securities, to replace such debt securities if stolen, lost or mutilated, to maintain paying agencies and to hold money for payment in trust) on and after the date the conditions set forth in the indenture are satisfied. Such conditions include the deposit with the trustee, in trust for such purpose, of money and/or U.S. government obligations, which through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide money in an amount sufficient to pay the principal of and any premium and interest on such debt securities on the stated maturity date of such payments or upon redemption, as the case may be, in accordance with the terms of the indenture and such debt securities.

Under current federal income tax law, the defeasance contemplated in the preceding paragraph would be treated as a taxable exchange of the relevant debt securities in which holders of debt securities would recognize gain or loss. In addition, thereafter, the amount, timing and character of amounts that holders would be required to include in income might be different from that which would be includable in the absence of such defeasance. Prospective investors are urged to consult their own tax advisors as to the specific consequences of a defeasance, including the applicability and effect of tax laws other than the federal income tax law.

The Trustee

The trustee is The Bank of New York, which maintains banking relationships with us in the ordinary course of business and serves as trustee under other indentures with us and some of our affiliates.

Governing Law

The indenture and the debt securities will be governed by and construed in accordance with the laws of the State of New York.

PLAN OF DISTRIBUTION

We may sell the debt securities through one or more of the following ways:

- directly to purchasers;
- to or through one or more underwriters or dealers; or
- through agents.

A prospectus supplement or term sheet with respect to a particular series of debt securities will set forth the terms of the offering of those debt securities, including the following:

- name or names of any underwriters, dealers or agents;
- the purchase price of such debt securities and our proceeds from the sale;
- underwriting discounts and commissions; and
- any initial public offering price and any discounts or concessions allowed or reallowed or paid to dealers.

If we use underwriters in the sale, the underwriters will acquire the debt securities for their own account and they may resell them from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. Underwriting syndicates represented by one or more managing underwriters or one or more independent firms acting as underwriters may offer the debt securities to the public. In connection with the sale of debt securities, we may compensate the underwriters in the form of underwriting discounts or commissions. The purchasers of the debt securities for whom the underwriters may act as agent may also pay them commissions. Underwriters may sell the debt securities to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or commissions from the purchasers for whom they may act as agents. Unless otherwise set forth in the applicable prospectus supplement or term sheet, the obligations of any underwriters to purchase the debt securities will be subject to conditions precedent, and the underwriters will be obligated to purchase all such debt securities if any are purchased.

If we use dealers in the sale of the debt securities, we will sell the debt securities to the dealers as principals. The dealer may then resell the debt securities to the public at varying prices to be determined by the dealer at the time of resale. The applicable prospectus supplement or term sheet will name any dealer, who may be deemed to be an underwriter, as that term is defined in the Securities Act of 1933, involved in the offer or sale of debt securities, and set forth any commissions or discounts we grant to the dealer.

If we use agents in the sales of the debt securities, the agents may solicit offers to purchase the debt securities from time to time. Any such agent, who may be deemed to be an underwriter as that term is defined in the Securities Act, involved in the offer or sale of the debt securities will be named, and any commissions payable by us to such agent set forth, in the applicable prospectus supplement or term sheet. Any agent will be acting on a reasonable effort basis for the period of its appointment or, if indicated in the applicable prospectus supplement or term sheet, on a firm commitment basis.

We may also sell debt securities directly to institutional investors or others who may be deemed to be underwriters within the meaning of the Securities Act with respect to resales. The terms of those sales would be described in the prospectus supplement or term sheet.

If the prospectus supplement or term sheet so indicates, we will authorize agents, underwriters or dealers to solicit offers from institutions to purchase debt securities from us at the public offering price set forth in the prospectus supplement or term sheet pursuant to delayed delivery contracts providing for payment and

delivery on a specified date in the future. The contracts will be subject only to those conditions set forth in the prospectus supplement or term sheet, and the prospectus supplement or term sheet will set forth the commission payable for solicitation of the contracts.

Agents, dealers and underwriters may be entitled under agreements with us to indemnification against some civil liabilities, including liabilities under the Securities Act, or to contribution with respect to payments which the agents, dealers or underwriters may be required to make. Agents, dealers and underwriters may engage in transactions with, or perform services for, us or our subsidiaries for customary compensation.

If indicated in the applicable prospectus supplement or term sheet, one or more firms may offer and sell debt securities in connection with a remarketing upon their purchase, in accordance with their terms, acting as principals for their own accounts or as our agents. Any remarketing firm will be identified and the terms of its agreement, if any, with us will be described in the applicable prospectus supplement or term sheet. We may be obligated to indemnify the remarketing firm against some liabilities, including liabilities under the Securities Act, and the remarketing firm may engage in transactions with or perform services for us or our subsidiaries for customary compensation.

Any debt securities will be a new issue of securities with no established trading market. We cannot assure you that there will be a market for the debt securities of any particular series, or that if a market does develop, that it will continue to provide holders of those debt securities with liquidity for their investment or will continue for the duration the debt securities are outstanding.

The prospectus supplement or term sheet relating to each offering will set forth the anticipated date of delivery of the debt securities.

LEGAL MATTERS

Palmer & Dodge LLP, Boston, Massachusetts will pass upon the validity of the debt securities for us. Ropes & Gray, Boston, Massachusetts may pass upon certain legal matters for any underwriters, agents or dealers.

EXPERTS

The consolidated financial statements incorporated in this prospectus by reference to the Annual Report on Form 10-K of Tampa Electric Company for the year ended December 31, 1999 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, independent certified accountants, given on the authority of said firm as experts in auditing and accounting.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy any of these documents at the SEC's Public Reference Rooms in Washington, D.C., New York, New York and Chicago, Illinois. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. Our SEC filings are also available to the public on the SEC's web site at http://www.sec.gov.

We filed a registration statement on Form S-3 with the SEC covering the debt securities. For further information on us and the debt securities, you should refer to the registration statement and its exhibits. This prospectus summarizes material provisions of the indenture. Because the prospectus may not contain all the information that you may find important, you should review the full text of the indenture and other documents we have filed as exhibits to the registration statement.

The SEC allows us to "incorporate by reference" the information that we file with the SEC, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference is considered to be part of this prospectus, and later information that we file with the SEC will automatically update and supersede this information. We incorporate by reference the following

documents and any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until all of the debt securities are sold:

- our Annual Report on Form 10-K for the fiscal year ended December 31, 1999;
- our Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2000, June 30, 2000 and September 30, 2000; and
- our Current Reports on Form 8-K dated March 1, 2000 and August 22, 2000.

You may request a copy of these filings, at no cost, by writing or telephoning us at the following address:

Director of Investor Relations
Tampa Electric Company
702 North Franklin Street
Tampa, Florida 33602
(813) 228-4111

You should rely only on the information incorporated by reference or provided in this prospectus or any prospectus supplement or term sheet. We have not authorized anyone to provide you with different information. We are not making an offer of these debt securities in any state where the offer is not permitted. You should not assume that the information in this prospectus or any prospectus supplement or term sheet is accurate as of any date other than the date on the front of these documents.

$250,000,000

Tampa Electric Company

6.875% Notes due 2012

Prospectus Supplement

June 20, 2001

Banc of America Securities LLC

BNP PARIBAS
Scotia Capital
TD Securities
Westdeutsche Landesbank Girozentrale

TAMPA ELECTRIC COMPANY

Issuer

To

THE BANK OF NEW YORK

Trustee

INDENTURE

Dated as of July 1, 1998

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Inserted for convenience only and not as a part of the Indenture

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TAMPA ELECTRIC COMPANY

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INDENTURE, dated as of July 1, 1998, between **TAMPA ELECTRIC COMPANY**, a corporation duly organized and existing under the laws of the State of Florida (herein called the "Company"), having its principal executive offices at Teco Plaza, 702 N. Franklin Street, Tampa, Florida 33602 and **THE BANK OF NEW YORK**, as Trustee (herein called the "Trustee"), having its principal corporate trust office at 101 Barclay, 21st Floor, New York, NY 10286

RECITALS OF THE COMPANY

The Company has duly authorized the execution and delivery of this Indenture to provide for the issuance from time to time of its unsecured debentures, notes or other evidences of indebtedness (herein called the "Securities"), to be issued in one or more series as provided in this Indenture.

All things necessary to make this Indenture a valid agreement of the Company, in accordance with its terms, have been done.

NOW, THEREFORE, THIS INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Securities by the Holders thereof, it is mutually covenanted and agreed, for the equal and proportionate benefit of all Holders of the Securities or of series thereof, as follows:

ARTICLE ONE
Definitions and Other Provisions of General Application

Section 101. Definitions.

For all purposes of this Indenture, except as otherwise expressly provided or unless the context otherwise requires:

(1) the terms defined in this Article have the meanings assigned to them in this Article and include the plural as well as the singular;

(2) all other terms used herein which are defined in the Trust Indenture Act, either directly or by reference therein, have the meanings assigned to them therein;

(3) all accounting terms not otherwise defined herein have the meanings assigned to them in accordance with generally accepted accounting principles, and, except as otherwise herein expressly provided, the term "generally accepted accounting principles" with respect to any computation required or permitted hereunder shall mean such accounting principles as are generally accepted at the date of such computation; and

(4) the words "herein," "hereof" and "hereunder" and other words of similar import refer to this Indenture as a whole and not to any particular Article, Section or other subdivision.

Certain terms, used principally in Article Six, are defined in that Article.

"Act," when used with respect to any Holder, has the meaning specified in Section 104.

"Affiliate" of any specified Person means any other Person directly or indirectly Controlling or Controlled by or under direct or indirect common Control with such specified Person.

"Authenticating Agent" means any Person authorized by the Trustee to act on behalf of the Trustee to authenticate Securities.

"Board of Directors," when used with reference to the Company, means the board of directors, or any duly authorized committee of the board of directors, of the Company.

"Board Resolution," when used with reference to the Company, means a copy of a resolution certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors and to be in full force and effect on the date of such certification, and delivered to the Trustee.

"Business Day" means each Monday, Tuesday, Wednesday, Thursday and Friday which is not a day on which banking institutions in the State in which the principal place of business of the Company or the principal corporate trust office of the Trustee or the office of the Trustee at which the Indenture is administered are located are authorized or obligated by law or executive order to close.

"Commission" means the Securities and Exchange Commission, as from time to time constituted, created under the Securities Exchange Act of 1934, or, if at any time after the execution of this instrument such Commission is not existing and performing the duties now assigned to it under the Trust Indenture Act, then the body performing such duties at such time.

"Company" means the Person named as the "Company" in the first paragraph of this instrument until a successor Corporation shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Company" shall mean such successor Corporation.

"Company Request" or "Company Order" means a written request or order signed in the name of the Company by its President, its Treasurer or an Assistant Treasurer and delivered to the Trustee.

The term "Control" means the power to direct the management and policies of a Person, directly or through one or more intermediaries, whether through the ownership of voting securities, by contract or otherwise, and the terms "Controlling" and "Controlled" shall have meanings correlative to the foregoing.

"Corporate Trust Office" means the office of the Trustee at which at any particular time its corporate trust business shall be principally administered, which office, as at the date of this Indenture, is located at 101 Barclay, 21st Floor, New York, NY 10286; Attn: Corporate Trust; except that notices to the Trustee under the Indenture shall be delivered to Towermarc, 2nd Floor, 10161 Centurion Parkway, Jacksonville, Florida 32256; Attn: Corporate Trust.

The term "Counsel" shall mean legal counsel who may be either an employee or officer of or counsel to the Company.

The term "Corporation" includes corporations, partnerships, joint ventures, associations, companies, limited liability companies, joint-stock companies and business trusts.

The term "Defeasance" has the meaning assigned to such term by Section 1302.

"Defaulted Interest" has the meaning specified in Section 307.

"Depositary" means, with respect to the Securities of any series issuable or issued in whole or in part in the form of one or more Global Securities, the Person designated as Depositary by the Company pursuant to Section 301.

"Event of Default" has the meaning specified in Section 501.

"Global Security" means a Security in the form prescribed in Section 204 evidencing all or part of a series of Securities, issued to the Depositary or its nominee for such Series, and registered in the name of such Depositary or nominee.

"Fiscal Year" means with respect to the Company the fiscal year ending December 31 of each year or such other date as the Company may hereafter elect, and with respect to any other Person the calendar year or other annual accounting period of the Person in question.

"Holder" means a Person in whose name a Security is registered in the Security Register.

"Indenture" means this instrument as originally executed and as it may from time to time be supplemented or amended by one or more indentures supplemental hereto entered into pursuant to the applicable provisions hereof, including, for all purposes of this instrument and any such supplemental indenture, the provisions of the Trust Indenture Act that are deemed to be a part of and govern this instrument and any such supplemental indenture, respectively. The term "Indenture" shall also include the terms of particular series of Securities established as contemplated by Section 301.

"Interest," when used with respect to an Original Issue Discount Security which by its terms bears interest only after Maturity, means interest payable after Maturity.

"Interest Payment Date," when used with respect to any Security, means the Stated Maturity of an installment of interest on such Security.

"Maturity," when used with respect to any Security, means the date on which the principal of such Security or an installment of principal becomes due and payable as therein or herein provided, whether at the Stated Maturity or by declaration of acceleration, call for redemption or otherwise.

"Officers' Certificate" means a certificate of the Company signed by the Chairman of the Board, the President or a Vice President, and by the Treasurer, an Assistant Treasurer, the Secretary or an Assistant Secretary, of the Company and delivered to the Trustee.

"Opinion of Counsel" means a written opinion of Counsel, who may be Counsel for the Company (including an employee or officer of the Company) and who shall be acceptable to the Trustee.

"Original Issue Discount Security" means any Security which provides for an amount less than the principal amount thereof to be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 502.

"Outstanding," when used with respect to Securities, means, as of the date of determination, all Securities theretofore authenticated and delivered under this Indenture, except:

(i) Securities theretofore cancelled by the Trustee or delivered to the Trustee for cancellation;

(ii) Securities for whose payment or redemption money, U.S. Government Obligations or both in the necessary amount has been theretofore deposited with the Trustee or any Paying Agent (other than the Company) in trust or set aside and segregated in trust by the Company (if the Company shall act as its own Paying Agent) for the Holders of such Securities; *provided* that, if such Securities are to be redeemed, notice of such redemption has been duly given pursuant to this Indenture or provision therefor satisfactory to the Trustee has been made and *provided further*, in the case of payment by Defeasance under Section 1302, that all conditions precedent to the application of such Section shall have been satisfied; and

(iii) Securities which have been paid pursuant to Section 306 or in exchange for or in lieu of which other Securities have been authenticated and delivered pursuant to this Indenture, other than any such Securities in respect of which there shall have been presented to the Trustee proof satisfactory to it that such Securities are held by a bona fide purchaser in whose hands such Securities are valid obligations of the Company;

provided, however, that in determining whether the Holders of the requisite principal amount of the Outstanding Securities have given any request, demand, authorization, direction, notice, consent or waiver hereunder, (i) the principal amount of an Original Issue Discount Security that shall be deemed to be Outstanding shall be the amount of the principal thereof that would be due and payable as of the date of such determination upon acceleration of the Maturity thereof pursuant to Section 502, (ii) the principal amount of a Security denominated in a foreign currency or currencies shall be the U.S. dollar equivalent, determined on the date of original issuance of such Security, of the principal amount (or, in the case of an Original Issue Discount Security, the U.S. dollar equivalent on the date of original issuance of such Security of the amount determined as provided in (i) above) of such Security, and (iii) Securities owned by the Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor shall be disregarded and deemed not to be Outstanding, except that, in determining whether the Trustee shall be protected in relying upon any such request, demand, authorization, direction, notice, consent or waiver, only Securities which the Trustee knows to be so owned shall be so disregarded. Securities so owned which have been pledged in good faith may be regarded as Outstanding if the pledgee establishes to the satisfaction of the Trustee the pledgee's independent right so to act with respect to such Securities and that the pledgee is not the

Company or any other obligor upon the Securities or any Affiliate of the Company or of such other obligor.

"Paying Agent" means any Person authorized by the Company to pay the principal of (and premium, if any) or interest on any Securities on behalf of the Company.

"Person" means any individual, Corporation, trust, unincorporated organization or government or any agency or political subdivision thereof.

"Place of Payment," when used with respect to the Securities of any series, means the place or places where the principal of (and premium, if any) and interest on the Securities of that series are payable as specified as contemplated by Section 301 or, if not so specified, the City of New York in the State of New York.

"Predecessor Security" of any particular Security means every previous Security evidencing all or a portion of the same debt as that evidenced by such particular Security; and, for the purposes of this definition, any Security authenticated and delivered under Section 306 in exchange for or in lieu of a mutilated, destroyed, lost or stolen Security shall be deemed to evidence the same debt as the mutilated, destroyed, lost or stolen Security.

"Redemption Date," when used with respect to any Security to be redeemed, means the date fixed for such redemption by or pursuant to this Indenture.

"Redemption Price," when used with respect to any Security to be redeemed, means the price at which it is to be redeemed pursuant to this Indenture.

"Regular Record Date" for the interest payable on any Interest Payment Date on the Securities of any series means the date specified for that purpose as contemplated by Section 301.

"Responsible Officer," when used with respect to the Trustee, means any officer of the Trustee charged with responsibility for the administration of the Indenture and also means, with respect to a particular corporate trust matter, any other officer to whom such matter is referred because of his knowledge of and familiarity with the particular subject.

"Security" and "Securities" have the meaning stated in the first recital of this Indenture and more particularly mean any Security or Securities authenticated and delivered under this Indenture.

"Security Register" and "Security Registrar" have the respective meanings specified in Section 305.

"Special Record Date" for the payment of any Defaulted Interest means a date fixed by the Trustee pursuant to Section 307.

"Stated Maturity," when used with respect to any Security or any installment of principal thereof or interest thereon, means the date specified in such Security as the fixed date on which the principal of such Security or such installment of principal or interest is due and payable.

"Subsidiary" means a Corporation more than 50% of the outstanding Voting Stock of which is owned, directly or indirectly, by the Company or by one or more other Subsidiaries, or by the Company and one or more other Subsidiaries.

"Trust Indenture Act" means the Trust Indenture Act of 1939 as in effect from time to time.

"Trustee" means the Person named as the "Trustee" in the first paragraph of this instrument until a successor Trustee shall have become such pursuant to the applicable provisions of this Indenture, and thereafter "Trustee" shall mean or include each Person who is then a Trustee hereunder, and if at any time there is more than one such Person, "Trustee" as used with respect to the Securities of any series shall mean the Trustee with respect to Securities of that series.

"U.S. Government Obligation" has the meaning set forth in Section 1303.

"Vice President," when used with respect to the Company means any vice president, whether or not designated by a number or a word or words added before or after the title "vice president."

"Voting Stock" means stock which ordinarily has voting power for the election of directors, whether at all times or only so long as no senior class of stock has such voting power by reason of any contingency, but shall not include securities convertible into such Voting Stock.

The term "Wholly-Owned Subsidiary" shall mean at any given time any Corporation all of the outstanding securities of which having ordinary voting power (other than securities having such power only by reason of the happening of a contingency), except for directors' qualifying shares, shall at such time be owned by the Company or by one or more Wholly- Owned Subsidiaries or by the Company and one or more Wholly-Owned Subsidiaries.

Section 102. Compliance Certificates and Opinions.

Except as otherwise expressly provided by this Indenture, upon any application or request by the Company to the Trustee to take any action under any provision of this Indenture that requires that the Company comply with any conditions precedent before the Trustee shall take such action, the Company shall furnish to the Trustee an Officers' Certificate stating that all conditions precedent, if any, provided for in this Indenture relating to the proposed action have been complied with and an Opinion of Counsel stating that in the opinion of such Counsel all such conditions precedent, if any, have been complied with, except that in the case of any such application or request as to which the furnishing of such documents is specifically required by any provision of this Indenture relating to such particular application or request, no additional certificate or opinion need be furnished.

Every certificate or opinion with respect to compliance with a condition or covenant provided for in this Indenture shall include

(1) a statement that each individual signing such certificate or opinion has read such covenant or condition and the definitions herein relating thereto;

(2) a brief statement as to the nature and scope of the examination or investigation upon which the statements or opinions contained in such certificate or opinion are based;

(3) a statement that, in the opinion of each such individual, he has made such examination or investigation as is necessary to enable him to express an informed opinion as to whether or not such covenant or condition has been complied with; and

(4) a statement as to whether, in the opinion of each such individual, such condition or covenant has been complied with.

Section 103. Form of Documents Delivered to Trustee.

In any case where several matters are required to be certified by, or covered by an opinion of, any specified Person, it is not necessary that all such matters be certified by, or covered by the opinion of, only one such Person, or that they be so certified or covered by only one document, but one such Person may certify or give an opinion with respect to some matters and one or more other such Persons as to other matters, and any such Person may certify or give an opinion as to such matters in one or several documents.

Any certificate or opinion of any officer of the Company may be based, insofar as it relates to legal matters, upon a certificate or opinion of, or representations by, Counsel, unless such officer knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to the matters upon which his certificate or opinion is based are erroneous. Any such certificate or Opinion of Counsel may be based, insofar as it relates to factual matters, upon a certificate or opinion of, or representations by, an officer or officers of the Company stating that the information with respect to such factual matters is in the possession of the Company unless such Counsel knows, or in the exercise of reasonable care should know, that the certificate or opinion or representations with respect to such matters are erroneous.

Where any Person is required to make, give or execute two or more applications, requests, consents, certificates, statements, opinions or other instruments under this Indenture, they may, but need not, be consolidated and form one instrument.

Section 104. Acts of Holders.

(a) Any request, demand, authorization, direction, notice, consent, waiver or other action provided by this Indenture to be given or taken by Holders may be embodied in and evidenced by one or more instruments of substantially similar tenor signed by such Holders in person or by an agent duly appointed in writing; and, except as herein otherwise expressly provided, such action shall become effective when such instrument or instruments are delivered to the Trustee and, where it is hereby expressly required, to the Company. Such instrument or instruments (and the action embodied therein and evidenced thereby) are herein sometimes referred to as the "Act" of the Holders signing such instrument or instruments. Proof of execution of any such instrument or of a writing appointing any such agent shall be sufficient for any purpose of this Indenture and (subject to Section 601) conclusive in favor of the Trustee and the Company, if made in the manner provided in this Section.

(b) The fact and date of the execution by any Person of any such instrument or writing may be proved by the affidavit of a witness of such execution or by a certificate of a notary public or other officer authorized by law to take acknowledgments of deeds, certifying that the individual signing such instrument or writing acknowledged to him the execution thereof. Where such execution is by a signer acting in a capacity other than his individual capacity, such certificate or affidavit shall also constitute sufficient proof of his authority. The fact and date of the execution of any such instrument or writing, or the authority of the Person executing the same, may also be proved in any other manner which the Trustee deems sufficient.

(c) The ownership of Securities shall be proved by the Security Register.

(d) Any request, demand, authorization, direction, notice, consent, waiver or other Act of the Holder of any Security shall bind every future Holder of the same Security and the Holder of every Security issued upon the registration of transfer thereof or in exchange therefor or in lieu thereof in respect of anything done, omitted or suffered to be done by the Trustee, the Company in reliance thereon, whether or not notation of such action is made upon such Security or such other Security.

Section 105. Notices, Etc., to Trustee or Company.

Any request, demand, authorization, direction, notice, consent, waiver or Act of Holders or other document provided or permitted by this Indenture to be made upon, given or furnished to, or filed with,

(1) the Trustee by any Holder or the Company shall be sufficient for every purpose hereunder if made, given, furnished or filed in writing to or with the Trustee at Towermarc Plaza, 2nd Floor, 10161 Centurion Parkway, Jacksonville, FL 32256, or at any other address that the Trustee previously furnished in writing to the Person giving such notice, or

(2) the Company by the Trustee or by any Holder shall be sufficient for every purpose hereunder (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to the Company addressed to it at the address of its office specified in the first paragraph of this instrument or at any other address previously furnished in writing to the Trustee by the Company.

Section 106. Notice to Holders; Waiver.

Where this Indenture provides for notice to Holders of any event, such notice shall be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to each Holder affected by such event, at his address as it appears in the Security Register, not later than the latest date, and not earlier than the earliest date, prescribed for the giving of such notice. In any case where notice to Holders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder shall affect the sufficiency of such notice with respect to other Holders. Where this Indenture provides for notice in any manner, such notice may be waived in writing by the Person entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of

such notice. Waivers of notice by Holders shall be filed with the Trustee, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

In case by reason of the suspension of regular mail service or by reason of any other cause it shall be impracticable to give such notice by mail, then such notification as shall be made with the approval of the Trustee shall constitute a sufficient notification for every purpose hereunder.

Section 107. Conflict with Trust Indenture Act.

If any provision hereof limits, qualifies or conflicts with another provision hereof that is required to be included in this Indenture by any of the provisions of the Trust Indenture Act, such required provision shall control.

Section 108. Effect of Headings and Table of Contents.

The Article and Section headings herein and the Table of Contents are for convenience only and shall not affect the construction hereof.

Section 109. Successors and Assigns.

All covenants and agreements in this Indenture by the Company shall bind its successors and assigns, whether so expressed or not.

Section 110. Separability Clause.

In case any provision in this Indenture or in the Securities shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

Section 111. Benefits of Indenture.

Nothing in this Indenture or in the Securities, express or implied, shall give to any Person, other than the parties hereto and their successors hereunder and the Holders, any benefit or any legal or equitable right, remedy or claim under this Indenture.

Section 112. Governing Law.

This Indenture and the Securities shall be governed by and construed in accordance with the laws of the State of New York.

Section 113. Legal Holidays.

Except as otherwise provided for in the Securities of any Series, in any case where any Interest Payment Date, Redemption Date or Stated Maturity of any Security shall not be a Business Day at any Place of Payment, then payment of interest or principal (and premium, if any) need not be made at such Place of Payment on such date, but may be made on the next succeeding Business Day at such Place of Payment with the same force and effect as if made on

the Interest Payment Date or Redemption Date, or at the Stated Maturity, *provided* that no interest shall accrue for the period from and after such Interest Payment Date, Redemption Date or Stated Maturity, as the case may be.

ARTICLE TWO
Security Forms

Section 201. Forms Generally.

The Securities of each series shall be in substantially the form set forth in this Article, or in such other form as shall be established by or pursuant to a Board Resolution or in one or more indentures supplemental hereto, in each case with such appropriate insertions, omissions, substitutions and other variations as are required or permitted by this Indenture, and may have such letters, numbers or other marks of identification and such legends or endorsements placed thereon as may be required to comply with the rules of any securities exchange or as may, consistently herewith, be determined by the officers executing such Securities, as evidenced by their execution of such Securities. If the form of Securities of any series of such Securities is established by action taken pursuant to a Board Resolution, a copy of an appropriate record of such action shall be certified by the Secretary or an Assistant Secretary of the Company and delivered to the Trustee at or prior to the delivery of the Company Order contemplated by Section 303 for the authentication and delivery of such Securities.

The Trustee's certificates of authentication shall be in substantially the form set forth in this Article.

The definitive Securities shall be printed, lithographed or engraved on steel engraved borders or may be produced in any other manner, all as determined by the officers executing such Securities, as evidenced by their execution of such Securities.

Section 202. Form of Face of Security.

[Insert any legend required by the Internal Revenue Code and the regulations thereunder.]

CUSIP Number

TAMPA ELECTRIC COMPANY
% Due

No. .... [$].....

TAMPA ELECTRIC COMPANY, a corporation duly organized and existing under the laws of The State of Florida (herein called the "Company," which term includes any successor Corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to ....., or registered assigns, the principal sum of .... Dollars on .... [If the Security is to bear interest prior to Maturity, insert -- , and to pay interest thereon from ..... or from the most recent Interest Payment Date to which interest has been paid or duly provided for, semi-annually on

..... and ..... in each year, commencing ....., at the rate of ....% per annum, until the principal hereof is paid or made available for payment [If applicable, insert -- , and (to the extent that the payment of such interest shall be legally enforceable) at the rate of ....% per annum on any overdue principal and premium and on any overdue installment of interest] -- or if the Security is to bear interest at a rate subject to adjustment from time to time pursuant to a market index, insert any provisions relating to the index mechanism. The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in such Indenture, be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest, which shall be the ..... or ..... (whether or not a Business Day), as the case may be, next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for will forthwith cease to be payable to the Holder on such Regular Record Date and may either be paid to the Person in whose name this Security (or one or more Predecessor Securities) is registered at the close of business on a Special Record Date for the payment of such Defaulted Interest to be fixed by the Trustee, notice whereof shall be given to Holders of Securities of this series not less than 10 days prior to such Special Record Date, or be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Securities of this series may be listed, and upon such notice as may be required by such exchange, all as more fully provided in said Indenture].

[If the Security is not to bear interest prior to Maturity, insert -- The principal of this Security shall not bear interest except in the case of a default in payment of principal upon acceleration, upon redemption or at Stated Maturity and in such case the overdue principal of this Security shall bear interest at the rate of ....% per annum (to the extent that the payment of such interest shall be legally enforceable), which shall accrue from the date of such default in payment to the date payment of such principal has been made or duly provided for. Interest on any overdue principal shall be payable on demand. Any such interest on any overdue principal that is not so paid on demand shall bear interest at the rate of .....% per annum (to the extent that the payment of such interest shall be legally enforceable), which shall accrue from the date of such demand for payment to the date payment of such interest has been made or duly provided for, and such interest shall also be payable on demand.]

Payment of the principal of (and premium, if any) and [if applicable, insert -- any such] interest on this Security will be made at the office or agency of the Company maintained for that purpose in ....., [if applicable, insert -- in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts] [if applicable, insert -- ; *provided, however*, that at the option of the Company payment of interest may be made by check mailed to the address of the Person entitled thereto as such address shall appear in the Security Register or, at the option of the Holder hereof, to such other place in the United States of America as the Holder hereof shall designate to the Trustee in writing or, at the option of the Holder hereof, by wire transfer in immediately available funds if such Holder owns Securities of the same series as this Security issued pursuant to the Indenture which pay interest on the same Interest Payment Date and which are in an aggregate principal amount of $5,000,000 or more, *provided* that the Holder shall bear any and all expenses of any such wire transfer] and *provided further* that proper written wiring instructions shall have been received by the Trustee on or prior to the Regular Record Date. [If applicable, insert any foreign currency-related provisions.]

Reference is hereby made to the further provisions of this Security set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Security shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the Company has caused this instrument to be duly executed.

Dated:

TAMPA ELECTRIC COMPANY

By .....
Title:

Section 203. Form of Reverse of Security.

This Security is one of a duly authorized issue of securities of the Company (herein called the "Securities"), issued and to be issued in one or more series under an Indenture, dated as of [.....], 1998 (herein called the "Indenture"), among the Company and The Bank of New York, as Trustee (herein called the "Trustee," which term includes any successor trustee under the Indenture), to which Indenture and all indentures supplemental thereto reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Securities and of the terms upon which the Securities are, and are to be, authenticated and delivered. This Security is one of the securities of the series designated on the face hereof [, limited in aggregate principal amount to $.....].

[If applicable, insert -- The Securities of this series are subject to redemption upon not less than 30 days' notice by mail, [if applicable, insert -- (1) on ..... in any year commencing with the year ..... and ending with the year ..... through operation of the sinking fund for this series at a Redemption Price equal to 100% of the principal amount, and (2)] at any time [on or after ....., 19..], as a whole or in part, at the election of the Company, at the following Redemption Prices (expressed as percentages of the principal amount): If redeemed [on or before ....., __%, and if redeemed] during the 12-month period beginning ..... of the years indicated,

Year	Redemption Price	Year	Redemption Price

and thereafter at a Redemption Price equal to .....% of the principal amount, together in the case of any such redemption [if applicable, insert -- (whether through operation of the sinking fund or otherwise)] with accrued interest to the Redemption Date, but interest installments whose Stated Maturity is on or prior to such Redemption Date will be payable to the Holders of such Securities, or one or more Predecessor Securities, of record at the close of business on the relevant Regular Record Dates referred to on the face hereof, all as provided in the Indenture.]

[If applicable, insert -- The Securities of this series are subject to redemption upon not less than 30 days' nor more than 60 days' notice by mail, (1) on ..... in any year commencing with the year .... and ending with the year .... through operation of the sinking fund for this series at the Redemption Prices for redemption through operation of the sinking fund (expressed as percentages of the principal amount) set forth in the table below, and (2) at any time [on or after .....], as a whole or in part, at the election of the Company, at the Redemption Prices for redemption otherwise than through operation of the sinking fund (expressed as percentages of the principal amount) set forth in the table below: If redeemed during the 12-month period beginning ..... of the years indicated,

Year	Redemption Price For Redemption Through Operation of the Sinking Fund	Price For Redemption Otherwise Than Through Operation of the Sinking Fund

and thereafter at a Redemption Price equal to .....% of the principal amount, together in the case of any such redemption (whether through operation of the sinking fund or otherwise) with accrued interest to the Redemption Date, but interest installments whose Stated Maturity is on or prior to such Redemption Date will be payable to the Holders of such Securities, or one or more Predecessor Securities, of record at the close of business on the relevant Regular Record Dates referred to on the face hereof, all as provided in the Indenture.]

[Notwithstanding the foregoing, the Company may not, prior to ....., redeem any Securities of this series as contemplated by [Clause (2) of] the preceding paragraph as a part of,

or in anticipation of, any refunding operation by the application, directly or indirectly, of moneys borrowed having an interest cost to the Company (calculated in accordance with generally accepted financial practice) of less than .....% per annum.]

[The sinking fund for this series provides for the redemption on ..... in each year beginning with the year ..... and ending with the year ..... of [not less than $..... [("mandatory sinking fund") and not more than $.....] aggregate principal amount of Securities of this series. [The Company may, at its option, in each of the years commencing with the year ..... make an additional payment into the sinking fund not exceeding the mandatory sinking fund payment, to be likewise applied to the redemption of Securities at the principal amount without premium, with interest accrued thereon to the date fixed for redemption.] [Securities of this series acquired or redeemed by the Company otherwise than through [mandatory] sinking fund payments may be credited against subsequent [mandatory] sinking fund payments otherwise required to be made -- in the inverse order in which they become due.]

In the event of redemption of this Security in part only, a new Security or Securities of this series and of like tenor for the unredeemed portion hereof will be issued in the name of the Holder hereof upon the cancellation hereof.

[The Indenture contains provisions for Defeasance at any time of the entire indebtedness on this Security upon compliance by the Company with certain conditions set forth therein, which provisions apply to this Security.]

[If the Security is not an Original Issue Discount Security, -- If an Event of Default with respect to Securities of this series shall occur and be continuing, the principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture.]

[If the Security is an Original Issue Discount Security, -- If an Event of Default with respect to Securities of this series shall occur and be continuing, an amount of principal of the Securities of this series may be declared due and payable in the manner and with the effect provided in the Indenture. Such amount shall be equal to -- insert formula for determining the amount. Upon payment (i) of the amount of principal so declared due and payable and (ii) of interest on any overdue principal and overdue interest (in each case to the extent that the payment of such interest shall be legally enforceable), all of the Company's obligations in respect of the payment of the principal of and interest, if any, on the Securities of this series shall terminate.]

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in principal amount of the Securities at the time Outstanding of each series to be affected and of the Holders of 66 2/3% in principal amount of the Securities at the time Outstanding of all series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the

Indenture and certain past defaults under the Indenture and their consequences. To the extent permitted by law, any such consent or waiver by the Holder of this Security shall be conclusive and binding upon such Holder and upon all future Holders of this Security and of any Security issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon this Security.

No reference herein to the Indenture and no provision of this Security or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Security at the times, place and rate, and in the coin or currency, herein prescribed.

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Security is registerable in the Security Register, upon surrender of this Security for registration of transfer at the office or agency of the Company in any place where the principal of (and premium, if any) and interest on this Security are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Securities of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Securities of this series are issuable only in registered form without coupons and, except for such Securities issued in book-entry form, only in denominations of [$]..... and any integral multiple of [$]..... As provided in the Indenture and subject to certain limitations therein set forth, Securities of this series are exchangeable for a like aggregate principal amount of Securities of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Security for registration of transfer, the Company or the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Security is registered as the owner hereof for all purposes, whether or not this Security be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

All terms used in this Security which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

This Security shall be governed by and construed in accordance with the laws of The State of New York.

Section 204. Additional Provisions Required in Global Security.

Any Global Security issued hereunder shall, in addition to the provisions contained in Sections 202 and 203, bear a legend in substantially the following form:

> "This Security is a Global Security within the meaning of the Indenture hereinafter referred to and is registered in the name of a Depositary or a nominee of a Depositary. This Security is exchangeable for Securities registered in the name of a person other than the Depositary or its nominee only in the limited circumstances described in the Indenture and may not be transferred except as a whole by the Depositary to a nominee of the Depositary or by a nominee of the Depositary to the Depositary or another nominee of the Depositary."

Section 205. Form of Trustee's Certificate of Authentication.

This is one of the Securities of the series designated in or pursuant to the within-mentioned Indenture and referred to therein.

The Bank of New York,
as Trustee

By ..... Date: .....
Authorized Signatory

or,

[Name of Authenticating Agent],
as Authenticating Agent

By ..... Date: .....
Authorized Signatory

ARTICLE THREE
The Securities

Section 301. Amount Unlimited; Issuable in Series.

The aggregate principal amount of Securities that may be authenticated and delivered under this Indenture is unlimited.

The Securities may be issued in one or more series. There shall be established in or pursuant to a Board Resolution, and (subject to Section 303) set forth or determined as provided in an Officers' Certificate, or established in one or more indentures supplemental hereto, prior to the issuance of Securities of any series,

(1) the title of the Securities of the series (which shall distinguish the Securities of the series from all other Securities);

(2) any limit upon the aggregate principal amount of the Securities of the series which may be authenticated and delivered under this Indenture (except for Securities authenticated and delivered upon registration of transfer of, or in exchange for, or in lieu of, other Securities of the series pursuant to Section 304, 305, 306, 906 or 1107 and except for any Securities which, pursuant to Section 303, are deemed never to have been authenticated and delivered hereunder);

(3) the Person to whom any interest on a Security of the series shall be payable, if other than the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest;

(4) the date or dates on which the principal of the Securities of the series is payable;

(5) the rate or rates (or method for establishing the rate or rates) at which the Securities of the series shall bear interest, if any, the date or dates from which such interest shall accrue, the Interest Payment Dates on which such interest shall be payable and the Regular Record Date for the interest payable on any Interest Payment Date (or method for establishing such date or dates);

(6) the place or places where the principal of (and premium, if any) and interest on Securities of the series shall be payable;

(7) the period or periods within which, the price or prices at which and the terms and conditions upon which Securities of the series may be redeemed, in whole or in part, at the option of the Company;

(8) the obligation, if any, of the Company to redeem or purchase Securities of the series pursuant to any sinking fund or analogous provisions or at the option of a Holder thereof and the period or periods within which, the price or prices at which and the terms and conditions upon which Securities of the series shall be redeemed or purchased, in whole or in part, pursuant to such obligation;

(9) if other than denominations of $1,000 and any integral multiple thereof, the denominations in which Securities of the series shall be issuable;

(10) if other than the full principal amount thereof, the portion of the principal amount of Securities of the series which shall be payable upon declaration of acceleration of the Maturity thereof pursuant to Section 502;

(11) if other than such coin or currency of the United States of America as at the time of payment is legal tender for payment of public or private debts, the currency or currencies (including composite currencies) in which payment of the principal of (and premium, if any) and/or interest on the Securities of such series shall be payable;

(12) if the principal of (and premium, if any) and/or interest on the Securities of such series are to be payable, at the election of the Company or any Holder, in a currency or currencies (including composite currencies) other than that in which the Securities are stated to be payable, the period or periods within which, and the terms and conditions upon which, such election may be made;

(13) if the amounts of payments of principal of (and premium, if any) and/or interest on the Securities of such series may be determined with reference to an index, the manner in which such amounts shall be determined;

(14) in the case of Securities of a series the terms of which are not established pursuant to subsection (11), (12) or (13) above, the application, if any, of Section 1302 to the Securities of such series; or, in the case of Securities the terms of which are established pursuant to subsection (11), (12) or (13) above, the adoption and applicability to such Securities of any terms and conditions similar to those contained in Section 1302;

(15) whether the Securities of the series shall be issued in the form of a temporary global Security representing all of the Securities of such series and the terms for exchange of such temporary global Security for definitive Securities of such series;

(16) whether the Securities of the series shall be issued in whole or in part in the form of one or more Global Securities and, in such case, the Depositary for such Global Security or Securities, which Depositary shall be a clearing agency registered under the Securities Exchange Act of 1934, as amended; and

(17) any other terms of the series (which terms shall not be inconsistent with the provisions of this Indenture).

All Securities of any one series shall be substantially identical except as to interest rates, method for determining interest rates, Interest Payment Dates, Regular Record Dates, redemption terms, Stated Maturity, denomination, date of authentication, currency, any index for determining amounts payable, and except as may otherwise be provided in or pursuant to such Board Resolution and set forth or determined as provided in such Officers' Certificate or in any such indenture supplemental hereto.

If any of the terms of the series are established by action taken pursuant to a Board Resolution, a copy of an appropriate record of such action shall be certified by the Secretary or an Assistant Secretary of the Company and delivered to the Trustee at or prior to the delivery of the Officers' Certificate setting forth the terms of the series.

Section 302. Denominations.

The Securities of each series shall be issuable in registered form without coupons in such denominations as shall be specified as contemplated by Section 301. In the absence of any such provisions with respect to the Securities of any series, the Securities of such series shall be issuable in denominations of $1,000 and any integral multiple thereof.

Section 303. Execution, Authentication, Delivery and Dating.

The Securities shall be executed on behalf of the Company by its Chairman of the Board, its President or one of its Vice Presidents. The signature of any of these officers on the Securities may be manual or facsimile.

Securities bearing the manual or facsimile signatures of individuals who were at any time the proper officers of the Company shall bind the Company, notwithstanding that such individuals or any of them have ceased to hold such offices prior to the authentication and delivery of such Securities or did not hold such offices at the date of such Securities.

At any time and from time to time after the execution and delivery of this Indenture, the Company may deliver Securities of any series executed by the Company to the Trustee for authentication, together with a Company Order for the authentication and delivery of such Securities; and the Trustee in accordance with such Company Order shall authenticate and make available for delivery such Securities. If the form or terms of the Securities of the series have been established in or pursuant to one or more Board Resolutions as permitted by Sections 201 and 301, in authenticating such Securities, and accepting the additional responsibilities under this Indenture in relation to such Securities, the Trustee shall be entitled to receive, and (subject to Section 601) shall be fully protected in relying upon:

(a) a copy of the resolution or resolutions of the Board of Directors in or pursuant to which the terms and form of the Securities were established, certified by the Secretary or an Assistant Secretary of the Company to have been duly adopted by the Board of Directors and to be in full force and effect as of the date of such certificate, and if the terms and form of such Securities are established by an Officers' Certificate pursuant to general authorization of the Board of Directors, such Officers' Certificate;

(b) an executed supplemental indenture, if any;

(c) an Officers' Certificate and Opinion of Counsel delivered in accordance with Section 102; and

(d) an Opinion of Counsel which shall state:

(1) if the form of any of such Securities has been established by or pursuant to Board Resolution as permitted by Section 201, that such form has been established in conformity with the provisions of this Indenture;

(2) if the terms of any of such Securities have been established by or pursuant to Board Resolution as permitted by Section 301, that such terms have been established in conformity with the provisions of this Indenture; and

(3) that such Securities, when authenticated and delivered by the Trustee and issued by the Company in the manner and subject to any conditions specified in such Opinion of Counsel, will constitute valid and legally binding obligations of the Company, enforceable in accordance with their terms, subject to bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and

similar laws of general applicability relating to or affecting the enforcement of creditors' rights and to general equity principles.

Notwithstanding that such form or terms have been so established, the Trustee shall not be required to authenticate such Securities if the issue of such Securities pursuant to this Indenture would adversely affect the Trustee's own rights, duties or immunities under the Securities and this Indenture or otherwise in a manner that is not reasonably acceptable to the Trustee.

Notwithstanding the provisions of Section 301 and of the preceding paragraph, if all Securities of a series are not to be originally issued at one time, it shall not be necessary to deliver the Officers' Certificate otherwise required pursuant to Section 301 or the Company Order and Opinion of Counsel otherwise required pursuant to such preceding paragraph at or prior to the time of authentication of each Security of such series if such documents are delivered at or prior to the time of authentication upon original issuance of the first Security of such series to be issued.

Each Security shall be dated the date of its authentication.

No Security shall be entitled to any benefit under this Indenture or be valid or obligatory for any purpose unless there appears on such Security a certificate of authentication substantially in the form provided for herein executed by the Trustee by manual signature, and such certificate upon any Security shall be conclusive evidence, and the only evidence, that such Security has been duly authenticated and delivered hereunder and is entitled to the benefits of this Indenture. Notwithstanding the foregoing, if any Security shall have been authenticated and delivered hereunder but never issued and sold by the Company, and the Company shall deliver such Security to the Trustee for cancellation as provided in Section 309 together with a written statement (which need not comply with Section 102 and need not be accompanied by an Opinion of Counsel) stating that such Security has never been issued and sold by the Company, for all purposes of this Indenture such Security shall be deemed never to have been authenticated and delivered hereunder and shall never be entitled to the benefits of this Indenture.

Section 304. Temporary Securities.

Pending the preparation of definitive Securities of any series, the Company may execute, and upon Company Order from the Company, the Trustee shall authenticate and make available for delivery, temporary Securities which are printed, lithographed, typewritten, mimeographed or otherwise produced, in any authorized denomination, substantially of the tenor of the definitive Securities in lieu of which they are issued, with such appropriate insertions, omissions, substitutions and other variations as the officers executing such Securities may determine, as evidenced by their execution of such Securities.

If temporary Securities of any series are issued, the Company will cause definitive Securities of that series to be prepared without unreasonable delay. After the preparation of definitive Securities of such series, the temporary Securities of such series shall be exchangeable for definitive Securities of such series upon surrender of the temporary Securities of such series at the office or agency of the Company in a Place of Payment for that series, without charge to the Holder. Upon surrender for cancellation of any one or more temporary Securities of any

series the Company shall execute and the Trustee shall authenticate and make available for delivery in exchange therefor a like principal amount of definitive Securities of the same series and of like tenor, of authorized denominations. Until so exchanged the temporary Securities of any series shall in all respects be entitled to the same benefits under this Indenture as definitive Securities of such series.

Section 305. Registration, Registration of Transfer and Exchange.

The Company shall cause to be kept at the Corporate Trust Office of the Trustee a register (the register maintained in such office and in any other office or agency of the Company in a Place of Payment being herein sometimes collectively referred to as the "Security Register") in which, subject to such reasonable regulations as it may prescribe, the Company shall provide for the registration of Securities and of transfers of Securities. Unless the Company has appointed an agent other than the Trustee as "Security Registrar", the Trustee is hereby appointed "Security Registrar" for the purpose of registering Securities and transfers of Securities as herein provided.

Upon surrender for registration of transfer of any Security of any series at the office or agency in a Place of Payment for that series, the Company shall execute, and the Trustee shall authenticate and make available for delivery, in the name of the designated transferee or transferees, one or more new Securities of the same series, of any authorized denominations and of a like aggregate principal amount and tenor.

At the option of the Holder, Securities of any series may be exchanged for other Securities of the same series of any authorized denominations and of a like aggregate principal amount and tenor, upon surrender of the Securities to be exchanged at such office or agency. Whenever any Securities are so surrendered for exchange, the Company shall execute, and the Trustee shall authenticate and make available for delivery, the Securities which the Holder making the exchange is entitled to receive.

All Securities issued upon any registration of transfer or exchange of Securities shall be the valid obligations of the Company evidencing the same debt, and entitled to the same benefits under this Indenture, as the Securities surrendered upon such registration of transfer or exchange.

Every Security presented or surrendered for registration of transfer or for exchange shall (if so required by the Company or the Trustee) be duly endorsed, or be accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed, by the Holder thereof or his attorney duly authorized in writing.

No service charge shall be made for any registration of transfer or exchange of Securities, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any registration of transfer or exchange of Securities, other than exchanges pursuant to Section 304, 906 or 1107 not involving any transfer.

The Company shall not be required (i) to issue, register the transfer of or exchange Securities of any series during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Securities of that series selected for redemption

under Section 1103 and ending at the close of business on the day of such mailing, or (ii) to register the transfer of or exchange any Security so selected for redemption in whole or in part, except the unredeemed portion of any Security being redeemed in part.

Notwithstanding the foregoing, any Global Security shall be exchangeable pursuant to this Section 305 for Securities registered in the names of Persons other than the Depositary for such Security or its nominee only if (i) such Depositary notifies the Company that it is unwilling or unable to continue as Depositary for such Global Security or if at any time such Depositary ceases to be a clearing agency registered under the Securities Exchange Act of 1934, as amended, at a time when such Depository is requested to be so registered in order to act as Depositary, (ii) the Company executes and delivers to the Trustee a Company Order that such Global Security shall be so exchangeable or (iii) there shall have occurred and be continuing an Event of Default with respect to the Securities. Any Global Security that is exchangeable pursuant to the preceding sentence shall be exchangeable for Securities registered in such names as such Depositary shall direct.

Notwithstanding any other provision in this Indenture, a Global Security may not be transferred except as a whole by the Depositary with respect to such Global Security to a nominee of such Depositary or by a nominee of such Depositary to such Depositary or another nominee of such Depositary.

Section 306. Mutilated, Destroyed, Lost and Stolen Securities.

If any mutilated Security is surrendered to the Trustee, the Company shall execute and the Trustee shall authenticate and make available for delivery in exchange therefor a new Security of the same series and of like tenor and principal amount and bearing a number not contemporaneously outstanding.

If there shall be delivered to the Company and the Trustee (i) evidence to their satisfaction of the destruction, loss or theft of any Security and (ii) such security or indemnity as may be required by them to save each of them and any agent of any of them harmless, then, in the absence of notice to the Company or the Trustee that such Security has been acquired by a bona fide purchaser, the Company shall execute and upon its request the Trustee shall authenticate and make available for delivery, in lieu of any such destroyed, lost or stolen Security, a new Security of the same series and of like tenor and principal amount and bearing a number not contemporaneously outstanding.

In case any such mutilated, destroyed, lost or stolen Security has become or is about to become due and payable, the Company in its discretion may, instead of issuing a new Security, pay such Security.

Upon the issuance of any new Security under this Section, the Company may require the payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto and any other expenses (including the fees and expenses of the Trustee) connected therewith.

Every new Security of any series issued pursuant to this Section in lieu of any destroyed, lost or stolen Security shall constitute an original additional contractual obligation of the

Company, whether or not the destroyed, lost or stolen Security shall be at any time enforceable by anyone, and shall be entitled to all the benefits of this Indenture equally and proportionately with any and all other Securities of that series duly issued hereunder.

The provisions of this Section are exclusive and shall preclude (to the extent lawful) all other rights and remedies with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities.

Section 307. Payment of Interest; Interest Rights Reserved.

Unless otherwise provided as contemplated by Section 301 with respect to any series of Securities, interest on any Security that is payable, and is punctually paid or duly provided for, on any Interest Payment Date shall be paid to the Person in whose name that Security (or one or more Predecessor Securities) is registered at the close of business on the Regular Record Date for such interest.

Any interest on any Security of any series that is payable, but is not punctually paid or duly provided for, on any Interest Payment Date (herein called "Defaulted Interest") shall forthwith cease to be payable to the Holder entitled to such interest by virtue of having been such Holder, and such Defaulted Interest may be paid by the Company, at its election in each case, as provided in Clause (1) or (2) below:

(1) The Company may elect to make payment of any Defaulted Interest to the Persons in whose names the Securities of such series (or their respective Predecessor Securities) are registered at the close of business on a Special Record Date for the payment of such Defaulted Interest, which shall be fixed in the following manner. The Company shall notify the Trustee in writing of the amount of Defaulted Interest proposed to be paid on each Security of such series and the date of the proposed payment, and at the same time the Company shall deposit with the Trustee an amount of money equal to the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make arrangements satisfactory to the Trustee for such deposit prior to the date of the proposed payment, such money when deposited to be held in trust for the benefit of the Persons entitled to such Defaulted Interest as in this Clause provided. Thereupon the Trustee shall fix a special record date (the "Special Record Date") for the payment of such Defaulted Interest which shall be not more than 15 days and not less than 10 days prior to the date of the proposed payment and not less than 10 days after the receipt by the Trustee of the notice of the proposed payment. The Trustee shall promptly notify the Company of such Special Record Date and, in the name and at the expense of the Company, shall cause notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor to be mailed, first-class postage prepaid, to each Holder of Securities of such series at his address as it appears in the Security Register, not less than 10 days prior to such Special Record Date. Notice of the proposed payment of such Defaulted Interest and the Special Record Date therefor having been so mailed, such Defaulted Interest shall be paid to the Persons in whose names the Securities of such series (or their respective Predecessor Securities) are registered at the close of business on such Special Record Date and shall no longer be payable pursuant to the following Clause (2).

(2) The Company may make payment of any Defaulted Interest on the Securities of any series in any other lawful manner not inconsistent with the requirements of any securities exchange on which such Securities may be listed, and upon such notice as may be required by such exchange, if, after notice given by the Company to the Trustee of the proposed payment pursuant to this Clause, such manner of payment shall be deemed practicable by the Trustee.

Subject to the foregoing provisions of this Section, each Security delivered under this Indenture upon registration of transfer of or in exchange for or in lieu of any other Security shall carry the rights to interest accrued and unpaid, and to accrue, that were carried by such other Security.

Section 308. Persons Deemed Owners.

Prior to due presentment of a Security for registration of transfer, the Company, the Trustee and any agent of the Company may treat the Person in whose name such Security is registered as the owner of such Security for the purpose of receiving payment of principal of (and premium, if any) and (subject to Section 307) interest on such Security and for all other purposes whatsoever, whether or not such Security be overdue, and neither the Company, the Trustee nor any agent of the Company or the Trustee shall be affected by notice to the contrary.

Section 309. Cancellation.

All Securities surrendered for payment, redemption, registration of transfer or exchange or for credit against any sinking fund payment shall, if surrendered to any Person other than the Trustee, be delivered to the Trustee and shall be promptly cancelled by it. The Company may at any time deliver to the Trustee for cancellation any Securities previously authenticated and delivered hereunder which the Company may have acquired in any manner whatsoever, and may deliver to the Trustee (or to any other Person for delivery to the Trustee) for cancellation any Securities previously authenticated hereunder which the Company has not issued and sold and all Securities so delivered shall be promptly cancelled by the Trustee. No Securities shall be authenticated in lieu of or in exchange for any Securities cancelled as provided in this Section, except as expressly permitted by this Indenture. All cancelled Securities held by the Trustee shall be returned to the Company.

Section 310. Computation of Interest.

Except as otherwise specified as contemplated by Section 301 for Securities of any series, interest on the Securities of each series shall be computed on the basis of a 360-day year of twelve 30-day months.

ARTICLE FOUR
Satisfaction and Discharge

Section 401. Satisfaction and Discharge of Indenture.

This Indenture shall upon Company Request cease to be of further effect (except as to any surviving rights of registration of transfer or exchange of Securities herein expressly

provided for), and the Trustee, on the demand of and at the expense of the Company, shall execute proper instruments acknowledging satisfaction and discharge of this Indenture, when

(1) either

(A) all Securities theretofore authenticated and delivered (other than (i) Securities which have been destroyed, lost or stolen and which have been replaced or paid as provided in Section 306 and (ii) Securities for whose payment money has theretofore been deposited in trust or segregated and held in trust by the Company and thereafter repaid to the Company or discharged from such trust, as provided in Section 1003) have been delivered to the Trustee for cancellation; or

(B) the Company has deposited or caused to be deposited with the Trustee as trust funds in trust for the purpose (A) money in an amount, or (B) U.S. Government Obligations which through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide, not later than one day before the due date of any payment, money in an amount, or (C) a combination thereof, sufficient, in the opinion of a nationally recognized firm of independent public accountants or a nationally recognized investment banking firm acceptable to the Company expressed in a written certification thereof delivered to the Trustee, to pay and discharge the entire indebtedness on such Securities not theretofore delivered to the Trustee for cancellation, for principal (and premium, if any) and interest to the date of such deposit (in the case of Securities which have become due and payable) or to the Stated Maturity or earlier Redemption Date (in the case of Securities that have been, or by an irrevocable instruction delivered by the Company to the Trustee will be, called for redemption), as the case may be;

(2) the Company has paid or caused to be paid all other sums payable hereunder by the Company; and

(3) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent herein provided for relating to the satisfaction and discharge of this Indenture have been complied with.

Notwithstanding the satisfaction and discharge of this Indenture, the obligations of the Company to the Trustee under Section 607, the obligations of the Trustee to any Authenticating Agent under Section 614 and, if money shall have been deposited with the Trustee pursuant to subclause (B) of clause (1) of this Section, the obligations of the Trustee under Section 402 and the last paragraph of Section 1003 shall survive.

Section 402. Application of Trust Money.

Subject to provisions of the last paragraph of Section 1003, all money and U.S. Government Obligations deposited with the Trustee pursuant to Sections 401 or 1302 and all money received by the Trustee in respect of U.S. Government Obligations deposited with the Trustee pursuant to Sections 401 or 1302, shall be held in trust and applied by it, in accordance with the provisions of the Securities and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as Paying Agent) as the Trustee may

determine, to the Persons entitled thereto, of the principal (and premium, if any) and interest for which payment such money has been deposited with or received by the Trustee as contemplated by Section 401 and Section 1302.

ARTICLE FIVE
Remedies

Section 501. Events of Default.

"Event of Default," wherever used herein with respect to Securities of any series, means any one of the following events (whatever the reason for such Event of Default and whether it shall be voluntary or involuntary or be effected by operation of law or pursuant to any judgment, decree or order of any court or any order, rule or regulation of any administrative or governmental body):

(1) default in the payment of any interest upon any Security of that series when it becomes due and payable, and continuance of such default for a period of 30 days; or

(2) default in the payment of the principal of (or premium, if any, on) any Security of that series at its Maturity; or

(3) default in the deposit of any sinking fund payment, when and as due by the terms of a Security of that series and continuance of such default for a period of 30 days; or

(4) default in the performance, or breach, of any covenant or warranty of the Company in this Indenture (other than a covenant or warranty a default in whose performance or whose breach is elsewhere in this Section specifically dealt with or which has expressly been included in this Indenture solely for the benefit of series of Securities other than that series), and continuance of such default or breach for a period of 90 days after there has been given, by registered or certified mail, to the Company by the Trustee or to the Company and the Trustee by the Holders of at least 25% in principal amount of the Outstanding Securities of that series a written notice specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" hereunder; or

(5) the entry by a court having jurisdiction in the premises of (A) a decree or order for relief in respect of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or (B) a decree or order adjudging the Company a bankrupt or insolvent, or approving as properly filed a petition seeking reorganization, arrangement, adjustment or composition of or in respect of the Company under any applicable Federal or State law, or appointing a custodian, receiver, liquidator, assignee, trustee, sequestrator or other similar official of the Company or of any substantial part of its property, or ordering the winding up or liquidation of its affairs, and the continuance of any such decree or order for relief or any such other decree or order unstayed and in effect for a period of 60 consecutive days; or

(6) the commencement by the Company of a voluntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or of any

other case or proceeding to be adjudicated a bankrupt or insolvent, or the consent by it to the entry of a decree or order for relief in respect of the Company in an involuntary case or proceeding under any applicable Federal or State bankruptcy, insolvency, reorganization or other similar law or to the commencement of any bankruptcy or insolvency case or proceeding against it, or the filing by it of a petition or answer or consent seeking reorganization or relief under any applicable Federal or State law, or the consent by it to the filing of such petition or to the appointment of or taking possession by a custodian, receiver, liquidator, assignee, trustee, sequestrator or similar official of the Company or of any substantial part of its property, or the making by the Company of an assignment for the benefit of creditors, or the admission by the Company in writing of its inability to pay its debts generally as they become due, or the taking of corporate action by the Company in furtherance of any such action; or

(7) any other Event of Default provided with respect to Securities of that series.

Subject to the provisions of Section 601 hereof, the Trustee shall not be deemed to have knowledge of an Event of Default hereunder (except for those described in paragraphs (1) through (3) above) unless a Responsible Officer has received written notice thereof.

Upon receipt by the Trustee of any Notice of Default pursuant to this Section 501 with respect to Securities of a series all or part of which is represented by a Global Security, a record date shall be established for determining Holders of Outstanding Securities of such series entitled to join in such Notice of Default, which record date shall be at the close of business on the day the Trustee receives such Notice of Default. The Holders as of such record date, or their duly designated proxies, and only such Persons, shall be entitled to join in such Notice of Default, whether or not such Holders remain Holders after such record date; *provided*, that unless holders of at least 25% in principal amount of the Outstanding Securities of such series, or their proxies, shall have joined in such Notice of Default prior to the day which is 90 days after such record date, such Notice of Default shall automatically and without further action by any Holder be canceled and of no further effect. Nothing in this paragraph shall prevent a Holder, or a proxy of a Holder, from giving, after expiration of such 90-day period, a new Notice of Default identical to a Notice of Default which has been cancelled pursuant to the proviso to the preceding sentence, in which event a new record date shall be established pursuant to the provisions of this Section 501.

Section 502. Acceleration of Maturity; Rescission and Annulment.

If an Event of Default (other than an Event of Default specified in Section 501(5) or 501(6)) with respect to Securities of any series at the time Outstanding occurs and is continuing, then and in every such case the Trustee or the Holders of not less than 25% in principal amount of the Outstanding Securities of that series may declare the principal amount (or, if any of the Securities of that series are Original Issue Discount Securities, such portion of the principal amount of such Securities as may be specified in the terms thereof) of all of the Securities of that series to be due and payable immediately, by a notice in writing to the Company (and to the Trustee if given by Holders), and upon any such declaration such principal amount (or specified amount) shall become immediately due and payable. If an Event of Default specified in Section 501(5) or 501(6) with respect to Securities of any series at the time Outstanding occurs, the principal amount of all the Securities of that series (of, if any Securities

of that series are Original Issue Discount Securities, such portion of the principal amount of such Securities as may be specified by the terms thereof) shall automatically, and without any declaration or other action on the part of the Trustee or any Holder, become immediately due and payable.

At any time after such a declaration of acceleration with respect to Securities of any series has been made and before a judgment or decree for payment of the money due has been obtained by the Trustee as hereinafter in this Article provided, the Holders of a majority in principal amount of the Outstanding Securities of that series, by written notice to the Company and the Trustee, may rescind and annul such declaration and its consequences if

(1) the Company has paid or deposited with the Trustee a sum sufficient to pay

(A) all overdue interest on all Securities of that series,

(B) the principal of (and premium, if any, on) any Securities of that series which have become due otherwise than by such declaration of acceleration and interest thereon at the rate or rates prescribed therefor in such Securities,

(C) to the extent that payment of such interest is lawful, interest upon overdue interest at the rate or rates prescribed therefor in such Securities, and

(D) all sums paid or advanced by the Trustee hereunder and the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and Counsel;

and

(2) all Events of Default with respect to Securities of that series, other than the non-payment of the principal of Securities of that series which have become due solely by such declaration of acceleration, have been cured or waived as provided in Section 513.

No such rescission shall affect any subsequent default or impair any right consequent thereon.

Upon receipt by the Trustee of written notice declaring such an acceleration, or rescission and annulment thereof, with respect to Securities of a series all or part of which is represented by a Global Security, a record date shall be established for determining Holders of Outstanding Securities of such series entitled to join in such notice, which record date shall be at the close of business on the day the Trustee receives such notice. The Holders on such record date, or their duly designated proxies, and only such Persons, shall be entitled to join in such notice, whether or not such Holders remain Holders after such record date; *provided*, that unless such declaration of acceleration, or rescission and annulment, as the case may be, shall have become effective by virtue of the requisite percentage having joined in such notice prior to the day which is 90 days after such record date, such notice of declaration of acceleration, or rescission and annulment, as the case may be, shall automatically and without further action by any Holder be cancelled and of no further effect. Nothing in this paragraph shall prevent a Holder, or a proxy of a Holder, from giving, after expiration of such 90-day period, a new written notice of declaration of acceleration, or rescission and annulment thereof, as the case may be, that is identical to a written

notice which has been cancelled pursuant to the proviso to the preceding sentence, in which event a new record date shall be established pursuant to the provisions of this Section 502.

Section 503. Collection of Indebtedness and Suits for Enforcement by Trustee.

The Company covenants that if

(1) default is made in the payment of any interest on any Security when such interest becomes due and payable and such default continues for a period of 30 days;

(2) default is made in the payment of the principal of (or premium, if any, on) any Security at the Maturity thereof; or

(3) default is made in the deposit of any sinking fund payment, when and as due by the terms of a Security of that series and such default continues for a period of 30 days;

the Company will, upon demand of the Trustee, pay to it, for the benefit of the Holders of such Securities, the whole amount then due and payable on such Securities for principal (and premium, if any) and interest and, to the extent that payment of such interest shall be legally enforceable, interest on any overdue principal (and premium, if any) and on any overdue interest, at the rate or rates prescribed therefor in such Securities, and, in addition thereto, such further amount as shall be sufficient to cover the costs and expenses of collection, including the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and Counsel.

If the Company fails to pay such amounts forthwith upon such demand, the Trustee, in its own name and as trustee of an express trust, may institute a judicial proceeding for the collection of the sums so due and unpaid, may prosecute such proceeding to judgment or final decree and may enforce the same against the Company or any other obligor upon such Securities and collect the moneys adjudged or decreed to be payable in the manner provided by law out of the property of the Company or any other obligor upon such Securities, wherever situated.

If an Event of Default with respect to Securities of any series occurs and is continuing, the Trustee may in its discretion proceed to protect and enforce its rights and the rights of the Holders of Securities of such series by such appropriate judicial proceedings as the Trustee shall deem most effectual to protect and enforce any such rights, whether for the specific enforcement of any covenant or agreement in this Indenture or in aid of the exercise of any power granted herein, or to enforce any other proper remedy.

Section 504. Trustee May File Proofs of Claim.

In case of the pendency of any receivership, insolvency, liquidation, bankruptcy, reorganization, arrangement, adjustment, composition or other judicial proceeding relative to the Company or any other obligor upon the Securities or the property of the Company or of such other obligor or their creditors, the Trustee (irrespective of whether the principal of the Securities shall then be due and payable as therein expressed or by declaration or otherwise and irrespective of whether the Trustee shall have made any demand on the Company for the payment of overdue

principal or interest) shall be entitled and empowered, by intervention in such proceeding or otherwise,

(i) to file and prove a claim for the whole amount of principal (and premium, if any) and interest owing and unpaid in respect of the Securities and to file such other papers or documents as may be necessary or advisable in order to have the claims of the Trustee (including any claim for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and Counsel) and of the Holders allowed in such judicial proceeding, and

(ii) to collect and receive any moneys or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Holder to make such payments to the Trustee and, in the event that the Trustee shall consent to the making of such payments directly to the Holders, to pay to the Trustee any amount due it for the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and Counsel, and any other amounts due the Trustee under Section 607.

Nothing herein contained shall be deemed to authorize the Trustee to authorize or consent to or accept or adopt on behalf of any Holder any plan of reorganization, arrangement, adjustment or composition affecting the Securities or the rights of any Holder thereof or to authorize the Trustee to vote in respect of the claim of any Holder in any such proceeding.

Section 505. Trustee May Enforce Claims Without Possession of Securities.

All rights of action and claims under this Indenture or the Securities may be prosecuted and enforced by the Trustee without the possession of any of the Securities or the production thereof in any proceeding relating thereto, and any such proceeding instituted by the Trustee shall be brought in its own name as trustee of an express trust, and any recovery of judgment shall, after provision for the payment of the reasonable compensation, expenses, disbursements and advances of the Trustee, its agents and Counsel, be for the ratable benefit of the Holders of the Securities in respect of which such judgment has been recovered.

Section 506. Application of Money Collected.

Any money collected by the Trustee pursuant to this Article shall be applied in the following order, at the date or dates fixed by the Trustee and, in case of the distribution of such money on account of principal (or premium, if any) or interest, upon presentation of the Securities and the notation thereon of the payment if only partially paid and upon surrender thereof if fully paid:

FIRST: To the payment of all amounts due the Trustee under Section 607; and

SECOND: To the payment of the amounts then due and unpaid for principal of (and premium, if any) and interest on the Securities in respect of which or for the benefit of which such money has been collected, ratably, without

preference or priority of any kind, according to the amounts due and payable on such Securities for principal (and premium, if any) and interest, respectively.

Section 507. Limitation on Suits.

No Holder of any Security of any series shall have any right to institute any proceeding, judicial or otherwise, with respect to this Indenture, or for the appointment of a receiver or trustee, or for any other remedy hereunder, unless

(1) such Holder has previously given written notice to the Trustee of a continuing Event of Default with respect to the Securities of that series;

(2) the Holders of not less than 25% in principal amount of the Outstanding Securities of that series shall have made written request to the Trustee to institute proceedings in respect of such Event of Default in its own name as Trustee hereunder;

(3) such Holder or Holders have offered to the Trustee reasonable indemnity against the costs, expenses and liabilities to be incurred in compliance with such request;

(4) the Trustee for 60 days after its receipt of such notice, request and offer of indemnity has failed to institute any such proceeding; and

(5) no direction inconsistent with such written request has been given to the Trustee during such 60-day period by the Holders of a majority in principal amount of the Outstanding Securities of that series;

it being understood and intended that no one or more of such Holders shall have any right in any manner whatever by virtue of, or by availing of, any provision of this Indenture to affect, disturb or prejudice the rights of any other of such Holders, or to obtain or to seek to obtain priority or preference over any other of such Holders or to enforce any right under this Indenture, except in the manner herein provided and for the equal and ratable benefit of all of such Holders.

Section 508. Unconditional Right of Holders to Receive Principal, Premium and Interest.

Notwithstanding any other provision in this Indenture, the Holder of any Security shall have the right, which is absolute and unconditional, to receive payment of the principal of (and premium, if any) and (subject to Section 307) interest on such Security on the Stated Maturity or Maturities expressed in such Security (or, in the case of redemption, on the Redemption Date) and to institute suit for the enforcement of any such payment, and such rights shall not be impaired without the consent of such Holder.

Section 509. Restoration of Rights and Remedies.

If the Trustee or any Holder has instituted any proceeding to enforce any right or remedy under this Indenture and such proceeding has been discontinued or abandoned for any reason, or has been determined adversely to the Trustee or to such Holder, then and in every such case,

subject to any determination in such proceeding, the Company, the Trustee and the Holders shall be restored severally and respectively to their former positions hereunder and thereafter all rights and remedies of the Trustee and the Holders shall continue as though no such proceeding had been instituted.

Section 510. Rights and Remedies Cumulative.

Except as otherwise provided with respect to the replacement or payment of mutilated, destroyed, lost or stolen Securities in the last paragraph of Section 306, no right or remedy herein conferred upon or reserved to the Trustee or to the Holders is intended to be exclusive of any other right or remedy, and every right and remedy shall, to the extent permitted by law, be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, shall not prevent the concurrent assertion or employment of any other appropriate right or remedy.

Section 511. Delay or Omission Not Waiver.

No delay or omission of the Trustee or of any Holder of any Securities to exercise any right or remedy accruing upon any Event of Default shall impair any such right or remedy or constitute a waiver of any such Event of Default or an acquiescence therein. Every right and remedy given by this Article or by law to the Trustee or to the Holders may be exercised from time to time, and as often as may be deemed expedient, by the Trustee or by the Holders, as the case may be.

Section 512. Control by Holders.

The Holders of a majority in principal amount of the Outstanding Securities of any series shall have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, with respect to the Securities of such series, *provided* that

(1) such direction shall not be in conflict with any rule of law or with this Indenture, nor subject the Trustee to a material risk of personal liability, and

(2) the Trustee may take any other action deemed proper by the Trustee which is not inconsistent with such direction.

Upon receipt by the Trustee of any written notice directing the time, method or place of conducting any such proceeding or exercising any such trust or power, with respect to Securities of a series all or part of which is represented by a Global Security, a record date shall be established by the Trustee for determining Holders of Outstanding Securities of such series entitled to join in such notice, which record date shall be at the close of business on the day the Trustee receives such notice. The Holders on such record date, or their duly designated proxies, and only such Persons, shall be entitled to join in such notice, whether or not such Holders remain Holders after such record date; *provided,* that unless the Holders of a majority in principal amount of the Outstanding Securities of such series shall have joined in such notice prior to the day which is 90 days after such record date, such notice shall automatically and

without further action by any Holder be cancelled and of no further effect. Nothing in this paragraph shall prevent a Holder, or a proxy of a Holder, from giving, after expiration of such 90-day period, a new notice identical to a notice which has been cancelled pursuant to the proviso to the preceding sentence, in which event a new record date shall be established pursuant to the provisions of this Section 512.

Section 513. Waiver of Past Defaults.

The Holders of not less than a majority in principal amount of the Outstanding Securities of any series may on behalf of the Holders of all the Securities of such series waive any past default hereunder with respect to such series and its consequences, except a default

(1) in the payment of the principal of (or premium, if any) or interest on any Security of such series, or

(2) in respect of a covenant or provision hereof which under Article Nine cannot be modified or amended without the consent of the Holder of each Outstanding Security of such series affected.

The Trustee may, but shall not be obligated to, fix a record date for the purpose of determining the Persons entitled to waive any past default hereunder. If a record date is fixed, the Holders on such record date, or their duly designated proxies, and only such Persons, shall be entitled to waive any default hereunder, whether or not such Holders remain Holders after such record date; *provided*, that unless such majority in principal amount shall have waived such default prior to the date which is 90 days after such record date, any such waiver previously given shall automatically and without further action by any Holder be cancelled and of no further effect.

Upon any such waiver, such default shall cease to exist, and any Event of Default arising therefrom shall be deemed to have been cured, for every purpose of this Indenture; but no such waiver shall extend to any subsequent or other default or impair any right consequent thereon.

Section 514. Undertaking for Costs.

All parties to this Indenture agree, and each Holder of any Security by his acceptance thereof shall be deemed to have agreed, that any court may in its discretion require, in any suit for the enforcement of any right or remedy under this Indenture, or in any suit against the Trustee for any action taken, suffered or omitted by it as Trustee, the filing by any party litigant in such suit of an undertaking to pay the costs of such suit, and that such court may in its discretion assess reasonable costs, including reasonable attorneys' fees, against any party litigant in such suit, having due regard to the merits and good faith of the claims or defenses made by such party litigant; but the provisions of this Section shall not apply to any suit instituted by the Company, to any suit instituted by the Trustee, to any suit instituted by any Holder, or group of Holders, holding in the aggregate more than 10% in principal amount of the Outstanding Securities of any series, or to any suit instituted by any Holder for the enforcement of the payment of the principal of (or premium, if any) or interest on any Security on or after the Stated Maturity or Maturities expressed in such Security (or, in the case of redemption, on or after the Redemption Date).

Section 515. Waiver of Stay or Extension Laws.

The Company covenants (to the extent that it may lawfully do so) that it will not at any time insist upon, or plead, or in any manner whatsoever claim or take the benefit or advantage of, any stay or extension law wherever enacted, now or at any time hereafter in force, which may affect the covenants or the performance of this Indenture; and the Company (to the extent that it may lawfully do so) hereby expressly waives all benefit or advantage of any such law and covenants that it will not hinder, delay or impede the execution of any power herein granted to the Trustee, but will suffer and permit the execution of every such power as though no such law had been enacted.

ARTICLE SIX
The Trustee

Section 601. Certain Duties and Responsibilities.

(a) Except during the continuance of an Event of Default,

(1) the Trustee undertakes to perform such duties and only such duties as are specifically set forth in this Indenture, and no implied covenants or obligations shall be read into this Indenture against the Trustee; and

(2) in the absence of bad faith on its part, the Trustee may conclusively rely, as to the truth of the statements and the correctness of the opinions expressed therein, upon certificates or opinions furnished to the Trustee and conforming to the requirements of this Indenture; but in the case of any such certificates or opinions which by any provision hereof are specifically required to be furnished to the Trustee, the Trustee shall be under a duty to examine the same to determine whether or not they conform to the requirements of this Indenture.

(b) In case an Event of Default has occurred and is continuing, the Trustee shall exercise such of the rights and powers vested in it by this Indenture, and use the same degree of care and skill in their exercise, as a prudent man would exercise or use under the circumstances in the conduct of his own affairs.

(c) No provision of this Indenture shall be construed to relieve the Trustee from liability for its own negligent action, its own negligent failure to act, or its own wilful misconduct, except that

(1) this subsection shall not be construed to limit the effect of subsection (a) of this Section;

(2) the Trustee shall not be liable for any error of judgment made in good faith by a Responsible Officer, unless it shall be proved that the Trustee was negligent in ascertaining the pertinent facts;

(3) the Trustee shall not be liable with respect to any action taken or omitted to be taken by it in good faith in accordance with the direction, determined as provided in

Section 512, of the Holders of a majority in principal amount of the Outstanding Securities of any series, relating to the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred upon the Trustee, under this Indenture with respect to the Securities of such series; and

(4) no provision of this Indenture shall require the Trustee to expend or risk its own funds or otherwise incur any financial liability in the performance of any of its duties hereunder, or in the exercise of any of its rights or powers, if it shall have reasonable grounds for believing that repayment of such funds or adequate indemnity against such risk or liability is not reasonably assured to it.

(5) Whether or not therein expressly so provided, every provision of this Indenture relating to the conduct or affecting the liability of or affording protection to the Trustee shall be subject to the provisions of this Section.

Section 602. Notice of Defaults.

Within 90 days after the occurrence of any default hereunder with respect to the Securities of any series, the Trustee shall transmit by mail to all Holders of Securities of such series, as their names and addresses appear in the Security Register, notice of such default hereunder known to the Trustee, unless such default shall have been cured or waived; *provided, however*, that, except in the case of a default in the payment of the principal of (or premium, if any) or interest on any Security of such series or in the payment of any sinking fund installment with respect to Securities of such series, the Trustee shall be protected in withholding such notice if and so long as the board of directors, the executive committee or a trust committee of directors or Responsible Officers of the Trustee in good faith determine that the withholding of such notice is in the interest of the Holders of Securities of such series. For the purpose of this Section, the term "default" means any event which is, or after notice or lapse of time or both would become, an Event of Default with respect to Securities of such series.

Section 603. Certain Rights of Trustee.

Subject to the provisions of Section 601:

(a) the Trustee may rely and shall be protected in acting or refraining from acting upon any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document believed by it to be genuine and to have been signed or presented by the proper party or parties;

(b) any request or direction of the Company mentioned herein shall be sufficiently evidenced by a Company Request or Company Order, or as otherwise expressly provided herein, and any resolution of the Board of Directors of the Company may be sufficiently evidenced by a Board Resolution;

(c) whenever in the administration of this Indenture the Trustee shall deem it desirable that a matter be proved or established prior to taking, suffering or omitting any

action hereunder, the Trustee (unless other evidence be herein specifically prescribed) may, in the absence of bad faith on its part, rely upon an Officers' Certificate;

(d) the Trustee may consult with Counsel and the advice of such Counsel or any Opinion of Counsel shall be full and complete authorization and protection in respect of any action taken, suffered or omitted by it hereunder in good faith and in reliance thereon;

(e) the Trustee shall be under no obligation to exercise any of the rights or powers vested in it by this Indenture at the request or direction of any of the Holders pursuant to this Indenture, unless such Holders shall have offered to the Trustee reasonable security or indemnity against the costs, expenses and liabilities which might be incurred by it in compliance with such request or direction;

(f) the Trustee shall not be bound to make any investigation into the facts or matters stated in any resolution, certificate, statement, instrument, opinion, report, notice, request, direction, consent, order, bond, debenture, note, other evidence of indebtedness or other paper or document, but the Trustee, in its discretion, may make such further inquiry or investigation into such facts or matters as it may see fit, and, if the Trustee shall determine to make such further inquiry or investigation, it shall be entitled to examine the books, records and premises of the Company, personally or by agent or attorney;

(g) the Trustee may execute any of the trusts or powers hereunder or perform any duties hereunder either directly or by or through agents or attorneys and the Trustee shall not be responsible for any misconduct or negligence on the part of any agent or attorney appointed with due care by it hereunder; and

(h) The Trustee shall not be liable for any action taken, suffered, or omitted to be taken by it in good faith and reasonably believed, upon advice of Counsel, by it to be authorized or within the discretion or rights or powers conferred upon it by this Indenture.

Section 604. Not Responsible for Recitals or Issuance of Securities.

The recitals contained herein and in the Securities, except the Trustee's certificates of authentication, shall be taken as the statements of the Company, and the Trustee or any Authenticating Agent assumes no responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Indenture or of the Securities. The Trustee or any Authenticating Agent shall not be accountable for the use or application by the Company of Securities or the proceeds thereof.

Section 605. May Hold Securities.

The Trustee, any Authenticating Agent, any Paying Agent, any Security Registrar or any other agent of the Company or of the Trustee, in its individual or any other capacity, may become the owner or pledgee of Securities and, subject to Sections 608 and 613, may otherwise

deal with the Company with the same rights it would have if it were not Trustee, Authenticating Agent, Paying Agent, Security Registrar or such other agent.

Section 606. Money Held in Trust.

Money held by the Trustee in trust hereunder need not be segregated from other funds except to the extent required by law. The Trustee shall be under no liability for interest on any money received by it hereunder except as otherwise agreed in writing with the Company.

Section 607. Compensation and Reimbursement.

The Company agrees

(1) to pay to the Trustee from time to time such compensation as shall be agreed to in writing between the Company and the Trustee for all services rendered by it hereunder (which compensation shall not be limited by any provision of law in regard to the compensation of a trustee of an express trust);

(2) except as otherwise expressly provided herein, to reimburse the Trustee upon its request for all reasonable expenses, disbursements and advances incurred or made by the Trustee in accordance with any provision of this Indenture (including the compensation and the expenses and disbursements of its agents and Counsel), except any such expense, disbursement or advance as may be attributable to its negligence or bad faith; and

(3) to indemnify each of the Trustee, or any predecessor Trustee, and each of its officers, directors, employees and agents, for, and to hold it harmless against, any and all losses, liabilities, damages, claims or expenses, including taxes (other than taxes based upon, measured or determined by the income of the Trustee) incurred without negligence or bad faith on its part, arising out of or in connection with the acceptance or administration of the trust or trusts hereunder, including the costs and expenses of defending itself against any claim or liability in connection with the exercise or performance of any of its powers or duties hereunder.

As security for the performance of the obligations of the Company under this Section the Trustee shall have a lien prior to the Securities upon all property and funds held or collected by the Trustee as such, except funds held in trust for the payment of principal of, premium, if any, or interest, if any, on particular Securities.

Section 608. Disqualification; Conflicting Interests.

If the Trustee has or shall acquire a conflicting interest within the meaning of the Trust Indenture Act, the Trustee shall either eliminate such interest or resign, to the extent and in the manner provided by, and subject to the provisions of, the Trust Indenture Act and this Indenture. To the extent permitted by such Act, the Trustee shall not be deemed to have a conflicting interest by virtue of being a trustee under this Indenture with respect to Securities of more than one series or a trustee under any other indenture with respect to bonds issued for the benefit of Tampa Electric Company by Hillsborough County Industrial Development Authority and Polk County Industrial Development Authority.

Section 609. Corporate Trustee Required; Eligibility.

There shall at all times be a Trustee hereunder which shall be a Corporation organized and doing business under the laws of the United States of America, any State thereof or the District of Columbia, authorized under such laws to exercise corporate trust powers, having a combined capital and surplus of at least $50,000,000 and subject to supervision or examination by Federal or State authority. If such Corporation publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Corporation shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time the Trustee shall cease to be eligible in accordance with the provisions of this Section, it shall resign immediately in the manner and with the effect hereinafter specified in this Article.

Section 610. Resignation and Removal; Appointment of Successor.

(a) No resignation or removal of the Trustee and no appointment of a successor Trustee pursuant to this Article shall become effective until the acceptance of appointment by the successor Trustee in accordance with the applicable requirements of Section 611.

(b) The Trustee may resign at any time with respect to the Securities of one or more series by giving written notice thereof to the Company. If the instrument of acceptance by a successor Trustee required by Section 611 shall not have been delivered to the Trustee within 30 days after the giving of such notice of resignation, the resigning Trustee may petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

(c) The Trustee may be removed at any time with respect to the Securities of any series by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series, delivered to the Trustee and to the Company.

(d) If at any time:

(1) the Trustee shall fail to comply with Section 608(a) after written request therefor by the Company or any Holder who has been a bona fide Holder of a Security for at least six months, or

(2) the Trustee shall cease to be eligible under Section 609 and shall fail to resign after written request therefor by the Company or any such Holder, or

(3) the Trustee shall become incapable of acting or shall be adjudged a bankrupt or insolvent or a receiver of the Trustee or of its property shall be appointed or any public officer shall take charge or Control of the Trustee or of its property or affairs for the purpose of rehabilitation, conservation or liquidation,

then, in any such case, (i) the Company by a Board Resolution may remove the Trustee with respect to all Securities, or (ii) subject to Section 514, any Holder who has been a bona fide Holder of a Security for at least six months may, on behalf of himself and all others similarly

situated, petition any court of competent jurisdiction for the removal of the Trustee with respect to all Securities and the appointment of a successor Trustee or Trustees.

(e) If the Trustee shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Trustee for any cause, with respect to the Securities of one or more series, the Company, by a Board Resolution, shall promptly appoint a successor Trustee or Trustees with respect to the Securities of that or those series (it being understood that any such successor Trustee may be appointed with respect to the Securities of one or more or all of such series and that at any time there shall be only one Trustee with respect to the Securities of any particular series) and shall comply with the applicable requirements of Section 611. If, within one year after such resignation, removal or incapability, or the occurrence of such vacancy, a successor Trustee with respect to the Securities of any series shall be appointed by Act of the Holders of a majority in principal amount of the Outstanding Securities of such series delivered to the Company and the retiring Trustee, the successor Trustee so appointed shall, forthwith upon its acceptance of such appointment in accordance with the applicable requirements of Section 611, become the successor Trustee with respect to the Securities of such series and to that extent supersede the successor Trustee appointed by the Company. If no successor Trustee with respect to the Securities of any series shall have been so appointed by the Company or the Holders and accepted appointment in the manner required by Section 611, any Holder who has been a bona fide Holder of a Security of such series for at least six months may, on behalf of himself and all others similarly situated, petition any court of competent jurisdiction for the appointment of a successor Trustee with respect to the Securities of such series.

(f) The Company shall give notice of each resignation and each removal of the Trustee with respect to the Securities of any series and each appointment of a successor Trustee with respect to the Securities of any series by mailing written notice of such event by first-class mail, postage prepaid, to all Holders of Securities of such series as their names and addresses appear in the Security Register. Each notice shall include the name of the successor Trustee with respect to the Securities of such series and the address of its Corporate Trust Office.

Section 611. Acceptance of Appointment by Successor.

(a) In case of the appointment hereunder of a successor Trustee with respect to all Securities, every such successor Trustee so appointed shall execute, acknowledge and deliver to the Company and the retiring Trustee an instrument accepting such appointment, and thereupon the resignation or removal of the retiring Trustee shall become effective and such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee; but, on the request of the Company or the successor Trustee, such retiring Trustee shall, upon payment of its charges, execute and deliver an instrument transferring to such successor Trustee all the rights, powers and trusts of the retiring Trustee and shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder.

(b) In case of the appointment hereunder of a successor Trustee with respect to the Securities of one or more (but not all) series, the Company, the retiring Trustee and each successor Trustee with respect to the Securities of one or more series shall execute and deliver an indenture supplemental hereto wherein each successor Trustee shall accept such appointment and

which (1) shall contain such provisions as shall be necessary or desirable to transfer and confirm to, and to vest in, each successor Trustee all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates, (2) if the retiring Trustee is not retiring with respect to all Securities, shall contain such provisions as shall be deemed necessary or desirable to confirm that all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series as to which the retiring Trustee is not retiring shall continue to be vested in the retiring Trustee, and (3) shall add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, it being understood that nothing herein or in such supplemental indenture shall constitute such Trustees co-trustees of the same trust and that each such Trustee shall be trustee of a trust or trusts hereunder separate and apart from any trust or trusts hereunder administered by any other such Trustee; and upon the execution and delivery of such supplemental indenture the resignation or removal of the retiring Trustee shall become effective to the extent provided therein and each such successor Trustee, without any further act, deed or conveyance, shall become vested with all the rights, powers, trusts and duties of the retiring Trustee with respect to the Securities of that or those series to which the appointment of such successor Trustee relates; but, on request of the Company or any successor Trustee, such retiring Trustee shall duly assign, transfer and deliver to such successor Trustee all property and money held by such retiring Trustee hereunder with respect to the Securities of that or those series to which the appointment of such successor Trustee relates.

(c) Upon request of any such successor Trustee, the Company shall execute any and all instruments for more fully and certainly vesting in and confirming to such successor Trustee all such rights, powers and trusts referred to in paragraph (a) and (b) of this Section, as the case may be.

(d) No successor Trustee shall accept its appointment unless at the time of such acceptance such successor Trustee shall be qualified and eligible under this Article.

Section 612. Merger, Conversion, Consolidation or Succession to Business.

Any Corporation into which the Trustee may be merged or converted or with which it may be consolidated, or any Corporation resulting from any merger, conversion or consolidation to which the Trustee shall be a party, or any Corporation succeeding to all or substantially all the corporate trust business of the Trustee, shall be the successor of the Trustee hereunder, provided such Corporation shall be otherwise qualified and eligible under this Article, without the execution or filing of any paper or any further act on the part of any of the parties hereto. In case any Securities shall have been authenticated, but not delivered, by the Trustee then in office, any successor by merger, conversion or consolidation to such authenticating Trustee may adopt such authentication and deliver the Securities so authenticated with the same effect as if such successor Trustee had itself authenticated such Securities.

Section 613. Preferential Collection of Claims.

If and when the Trustee shall be or become a creditor of the Company, the Trustee shall be subject to the provisions of the Trust Indenture Act regarding the collection of claims against the Company.

Section 614. Appointment of Authenticating Agent.

At any time when any of the Securities remain Outstanding, the Trustee may appoint an Authenticating Agent or Agents with respect to one or more series of Securities which shall be authorized to act on behalf of the Trustee to authenticate Securities of such series issued upon exchange, registration of transfer or partial redemption thereof or pursuant to Section 306, and Securities so authenticated shall be entitled to the benefits of this Indenture and shall be valid and obligatory for all purposes as if authenticated by the Trustee hereunder. Wherever reference is made in this Indenture to the authentication and delivery of Securities by the Trustee or the Trustee's certificate of authentication, such reference shall be deemed to include authentication and delivery on behalf of the Trustee by an Authenticating Agent and a certificate of authentication executed on behalf of the Trustee by an Authenticating Agent. Each Authenticating Agent shall be acceptable to the Company and shall at all times be a Corporation organized and doing business under the laws of the United States of America, any State thereof or the District of Columbia, authorized under such laws to act as Authenticating Agent, having a combined capital and surplus of not less than $50,000,000 and subject to supervision or examination by Federal or State authority. If such Authenticating Agent publishes reports of condition at least annually, pursuant to law or to the requirements of said supervising or examining authority, then for the purposes of this Section, the combined capital and surplus of such Authenticating Agent shall be deemed to be its combined capital and surplus as set forth in its most recent report of condition so published. If at any time an Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, such Authenticating Agent shall resign immediately in the manner and with the effect specified in this Section.

Any Corporation into which an Authenticating Agent may be merged or converted or with which it may be consolidated, or any Corporation resulting from any merger, conversion or consolidation to which such Authenticating Agent shall be a party, or any Corporation succeeding to the corporate agency or corporate trust business of an Authenticating Agent, shall continue to be an Authenticating Agent, *provided* such Corporation shall be otherwise eligible under this Section, without the execution or filing of any paper or any further act on the part of the Trustee or the Authenticating Agent.

An Authenticating Agent may resign at any time by giving written notice thereof to the Trustee and the Company. The Trustee may at any time terminate the agency of an Authenticating Agent by giving written notice thereof to such Authenticating Agent and the Company. Upon receiving such a notice of resignation or upon such a termination, or in case at any time such Authenticating Agent shall cease to be eligible in accordance with the provisions of this Section, the Trustee may appoint a successor Authenticating Agent which shall be acceptable to the Company and shall mail written notice of such appointment by first-class mail, postage prepaid, to all Holders of Securities of the series with respect to which such Authenticating Agent will serve, as their names and addresses appear in the Security Register.

Any successor Authenticating Agent upon acceptance of its appointment hereunder shall become vested with all the rights, powers and duties of its predecessor hereunder, with like effect as if originally named as an Authenticating Agent. No successor Authenticating Agent shall be appointed unless eligible under the provisions of this Section.

The Company agrees to pay to each Authenticating Agent from time to time reasonable compensation for its services under this Section.

If an appointment with respect to one or more series is made pursuant to this Section, the Securities of such series may have endorsed thereon, in addition to the Trustee's certificate of authentication, an alternate certificate of authentication in the following form:

This is one of the Securities of the series designated therein referred to in the within-mentioned Indenture.

By _____
The Bank of New York, as Trustee

By_____
As Authenticating Agent

By_____
Authorized Signatory

ARTICLE SEVEN
Holders' Lists and Reports by Trustee and Company

Section 701. Company to Furnish Trustee Names and Addresses of Holders.

The Company will furnish or cause to be furnished to the Trustee

(a) semi-annually, not later than 15 days after each Regular Record Date (or, if there is no Regular Record Date relating to a series, semi-annually on dates set forth in the Board Resolution or supplemental indenture with respect to such series), a list, in such form as the Trustee may reasonably require, of the names and addresses of the Holders as of such date, and

(b) at such other times as the Trustee may request in writing, within 30 days after the receipt by the Company of any such request, a list of similar form and content as of a date not more than 15 days prior to the time such list is furnished;

excluding from any such list names and addresses received by the Trustee in its capacity as Security Registrar.

Section 702. Preservation of Information; Communications to Holders.

(a) The Trustee shall preserve, in as current a form as is reasonably practicable, the names and addresses of Holders contained in the most recent list furnished to the Trustee as provided in Section 701 and the names and addresses of Holders received by the Trustee in its capacity as Security Registrar. The Trustee may destroy any list furnished to it as provided in Section 701 upon receipt of a new list so furnished.

(b) The rights of Holders to communicate with other Holders with respect to their rights under this Indenture or under the Securities, and the corresponding rights and privileges of the Trustee, shall be as provided by the Trust Indenture Act.

(c) Every Holder of Securities, by receiving and holding the same, agrees with the Company and the Trustee that neither the Company nor the Trustee nor any agent of either of them shall be held accountable by reason of the disclosure of any such information as to the names and addresses of the Holders in accordance with Section 702(b), regardless of the source from which such information was derived, and that the Trustee shall not be held accountable by reason of mailing any material pursuant to a request made under Section 702(b).

Section 703. Reports by Trustee.

The Trustee shall transmit to Holders such reports concerning the Trustee and its actions under this Indenture as may be required pursuant to the Trust Indenture Act at the times and in the manner provided pursuant thereto.

Reports so required to be transmitted at stated intervals of not more than 12 months shall be transmitted no later than 60 days after May 15 in each calendar year, commencing with the year 1999.

A copy of each such report shall, at the time of such transmission to Holders, be filed by the Trustee with each stock exchange upon which any Securities are listed, with the Commission and with the Company. The Company will notify the Trustee when any Securities are listed on any stock exchange.

Section 704. Reports by Company.

The Company shall file with the Trustee and the Commission, and transmit to Holders, such information, documents and other reports, and such summaries thereof, as may be required pursuant to the Trust Indenture Act at the times and in the manner provided pursuant to such Act; *provided* that any such information, documents or reports required to be filed with the Commission pursuant to Section 13 or 15(d) of the Securities and Exchange Act of 1934, as amended, shall be filed with the Trustee within 15 days after the same is so required to be filed with the Commission.

ARTICLE EIGHT
Consolidation, Merger, Conveyance or Transfer

Section 801. Company May Consolidate, Etc., Only on Certain Terms.

The Company shall not consolidate with or merge into any other Corporation or convey or transfer its properties and assets substantially as an entirety to any Person, unless:

(1) the Corporation formed by such consolidation or into which the Company is merged or the Person which acquires by conveyance or transfer the properties and assets of the Company substantially as an entirety shall be, if a Corporation, a Corporation organized and existing under the laws of the United States of America or any State or the District of Columbia, and shall expressly assume, by an indenture supplemental hereto, executed and delivered to the Trustee, in form satisfactory to the Trustee, the due and punctual payment of the principal of (and premium, if any) and interest on all the Securities and the performance of every covenant of this Indenture on the part of the Company to be performed or observed;

(2) immediately after giving effect to such transaction, no Event of Default, and no event which, after notice or lapse of time, or both, would become an Event of Default, shall have happened and be continuing; and

(3) the Company has delivered to the Trustee an Officers' Certificate and an Opinion of Counsel each stating that such consolidation, merger, conveyance or transfer and such supplemental indenture comply with this Article and that all conditions precedent herein provided for relating to such transaction have been complied with.

The Company shall not consolidate with any other Corporation or permit the Company to be merged into any other Corporation, or sell its property and assets as, or substantially as, an entirety except upon the terms and conditions set forth in this Article Eight. Upon any consolidation or merger, or any sale of the property and assets of the Company as, or substantially as, an entirety in accordance with the provisions of this Article Eight, the Corporation formed by such consolidation or into which the Company shall have been merged or the Person to which such sale shall have been made shall succeed to and be substituted for the Company with the same effect as if it had been named herein as a party hereto, and thereafter from time to time such Corporation may exercise each and every right and power of the Company under this Indenture, in the name of the Company or in its own name; and any act or proceeding by any provision of this Indenture required or permitted to be done by any board or officer of the Company may be done with like force and effect by the like board or officer of any Corporation that shall at the time be the successor of the Company hereunder.

The Trustee shall be entitled to receive and may conclusively rely on and shall be protected in relying upon an Opinion of Counsel as conclusive evidence that any such consolidation, merger or sale, and any such assumption of payment and performance complies with the provisions of this Article.

ARTICLE NINE
Supplemental Indentures

Section 901. Supplemental Indentures Without Consent of Holders.

Without the consent of any Holders, the Company, when authorized by a Board Resolution, and the Trustee, at any time and from time to time, may enter into one or more indentures supplemental hereto, in form satisfactory to the Trustee, for any of the following purposes:

(1) to evidence the succession of another Corporation to the Company and the assumption by any such successor of the covenants of the Company herein and in the Securities; or

(2) to add to the covenants of the Company for the benefit of the Holders of all or any series of Securities (and if such covenants are to be for the benefit of less than all series of Securities, stating that such covenants are expressly being included solely for the benefit of such series) or to surrender any right or power herein conferred upon the Company; or

(3) to add any additional Events of Default; or

(4) to add to or change any of the provisions of this Indenture to such extent as shall be necessary to permit or facilitate the issuance of Securities in bearer form, registrable or not registrable as to principal, and with or without interest coupons, or to permit or facilitate the issuance of Securities in uncertificated form or to facilitate the issuance of Securities in global form; or

(5) to change or eliminate any of the provisions of this Indenture, *provided* that any such change or elimination shall become effective only when there is no Security Outstanding of any series created prior to the execution of such supplemental indenture that is entitled to the benefit of such provision; or

(6) to secure the Securities pursuant to the requirements of Section 801(3) or Section 1004 or otherwise; or

(7) to establish the form or terms of Securities of any series as permitted by Sections 201 and 301; or

(8) to evidence and provide for the acceptance of appointment hereunder by a successor Trustee with respect to the Securities of one or more series or to add to or change any of the provisions of this Indenture as shall be necessary to provide for or facilitate the administration of the trusts hereunder by more than one Trustee, pursuant to the requirements of Section 611(b); or

(9) to cure any ambiguity, to correct or supplement any provision herein which may be inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising under this Indenture, *provided*

such action shall not adversely affect the interests of the Holders of Securities of any series in any material respect.

Section 902. Supplemental Indentures with Consent of Holders.

With the consent of the Holders of not less than a majority in principal amount of the Outstanding Securities of each series affected by such supplemental indenture and of not less than 66 2/3% in principal amount of the Outstanding Securities of all series affected by such supplemental indenture, by Act of said Holders delivered to the Company and the Trustee, the Company, when authorized by a Board Resolution, and the Trustee may enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of this Indenture or of modifying in any manner the rights of the Holders of Securities of such series under this Indenture; *provided, however,* that no such supplemental indenture shall, without the consent of the Holder of each Outstanding Security affected thereby,

(1) change the Stated Maturity of the principal of, or any installment of principal of or interest on, any Security, or reduce the principal amount thereof or the rate of interest thereon or any premium payable upon the redemption thereof, or reduce the amount of the principal of an Original Issue Discount Security that would be due and payable upon a declaration of acceleration of the Maturity thereof pursuant to Section 502, or change any Place of Payment where, or the coin or currency in which, any Security or any premium or the interest thereon is payable, or impair the right to institute suit for the enforcement of any such payment on or after the Stated Maturity thereof (or, in the case of redemption, on or after the Redemption Date), or

(2) reduce the percentage in principal amount of the Outstanding Securities of any series, the consent of whose Holders is required for any such supplemental indenture, or the consent of whose Holders is required for any waiver (of compliance with certain provisions of this Indenture or certain defaults hereunder and their consequences) provided for in this Indenture, or

(3) modify any of the provisions of this Section, Section 513 or Section 1008, except to increase any such percentage or to provide that certain other provisions of this Indenture cannot be modified or waived without the consent of the Holder of each Outstanding Security affected thereby; *provided, however,* that this clause shall not be deemed to require the consent of any Holder with respect to changes in the references to "the Trustee" and concomitant changes in this Section and Section 1008, or the deletion of this proviso, in accordance with the requirements of Sections 611(b) and 901(8).

A supplemental indenture which changes or eliminates any covenant or other provision of this Indenture which has expressly been included solely for the benefit of one or more particular series of Securities, or which modifies the rights of the Holders of Securities of such series with respect to such covenant or other provision, shall be deemed not to affect the rights under this Indenture of the Holders of Securities of any other series.

The Company may, but shall not be obligated to, fix a record date for the purpose of determining the Persons entitled to consent to any indenture supplemental hereto. If a record date is fixed, the Holders on such record date, or their duly designated proxies, and only such Persons, shall be entitled to consent to such supplemental indenture, whether or not such Holders remain Holders after such record date; *provided*, that unless such consent shall have become effective by virtue of the requisite percentage having been obtained prior to the date which is 90 days after such record date, any such consent previously given shall automatically and without further action by any Holder be cancelled and of no further effect.

It shall not be necessary for any Act of Holders under this Section to approve the particular form of any proposed supplemental indenture, but it shall be sufficient if such Act shall approve the substance thereof.

Section 903. Execution of Supplemental Indentures.

In executing, or accepting the additional trusts created by, any supplemental indenture permitted by this Article or the modifications thereby of the trusts created by this Indenture, the Trustee shall be entitled to receive, and (subject to Section 601) shall be fully protected in relying upon, an Opinion of Counsel stating that the execution of such supplemental indenture is authorized or permitted by this Indenture. The Trustee may, but shall not be obligated to, enter into any such supplemental indenture which affects the Trustee's own rights, duties, or immunities or liabilities under this Indenture or otherwise.

Section 904. Effect of Supplemental Indentures.

Upon the execution of any supplemental indenture under this Article, this Indenture shall be modified in accordance therewith, and such supplemental indenture shall form a part of this Indenture for all purposes; and every Holder of Securities theretofore or thereafter authenticated and delivered hereunder shall be bound thereby.

Section 905. Conformity with Trust Indenture Act.

Every supplemental indenture executed pursuant to this Article shall conform to the requirements of the Trust Indenture Act.

Section 906. Reference in Securities to Supplemental Indentures.

Securities authenticated and delivered after the execution of any supplemental indenture pursuant to this Article may, and shall if required by the Trustee, bear a notation in form approved by the Trustee as to any matter provided for in such supplemental indenture. If the Company shall so determine, new Securities of any series so modified as to conform, in the opinion of the Trustee and the Company, to any such supplemental indenture may be prepared and executed by the Company and such Securities may be authenticated and delivered by the Trustee in exchange for Outstanding Securities of such series.

ARTICLE TEN
Covenants

Section 1001. Payment of Principal, Premium and Interest.

The Company covenants and agrees for the benefit of each series of Securities that it will duly and punctually pay the principal of (and premium, if any) and interest on the Securities of that series in accordance with the terms of the Securities and this Indenture.

Section 1002. Maintenance of Office or Agency.

The Company will maintain in each Place of Payment for any series of Securities an office or agency where Securities of that series may be presented or surrendered for payment, where Securities of that series may be surrendered for registration of transfer or exchange and where notices and demands to or upon the Company in respect of the Securities of that series and this Indenture may be served. The Company will give prompt written notice to the Trustee of the location, and any change in the location, of such office or agency. If at any time the Company shall fail to maintain any such required office or agency or shall fail to furnish the Trustee with the address thereof, such presentations, surrenders, notices and demands may be made or served at the Corporate Trust Office of the Trustee, and the Company hereby appoints the Trustee as its agent to receive all such presentations, surrenders, notices and demands.

The Company may also from time to time designate one or more other offices or agencies where the Securities of one or more series may be presented or surrendered for any or all such purposes and may from time to time rescind such designations; *provided, however*, that no such designation or rescission shall in any manner relieve the Company of its obligation to maintain an office or agency in each Place of Payment for Securities of any series for such purposes. The Company will give prompt written notice to the Trustee of any such designation or rescission and of any change in the location of any such other office or agency.

Section 1003. Money for Securities Payments to Be Held in Trust.

If the Company shall at any time act as its own Paying Agent with respect to any series of Securities, it will, on or before each due date of the principal of (and premium, if any) or interest on any of the Securities of that series, segregate and hold in trust for the benefit of the Persons entitled thereto a sum sufficient to pay the principal (and premium, if any) or interest so becoming due until such sums shall be paid to such Persons or otherwise disposed of as herein provided and will promptly notify the Trustee of its failure so to act.

In the event that the Company appoints one or more Paying Agents for any series of Securities, the Company covenants and agrees to indemnify the Trustee for, and hold the Trustee harmless against, any loss, liability or expense incurred without negligence or bad faith on the part of the Trustee, arising out of or in connection with the administration of the duties of the Paying Agent appointed by the Company under this Indenture and to reimburse the Trustee for the reasonable costs and expenses (including Counsel fees) of defending against any such claim or liability.

Whenever the Company shall have one or more Paying Agents for any series of Securities, it will, prior to each due date of the principal of (and premium, if any) or interest on any Securities of that series, deposit with a Paying Agent a sum sufficient to pay the principal (and premium, if any) or interest so becoming due, such sum to be held in trust for the benefit of the Persons entitled to such principal, premium or interest, and (unless such Paying Agent is the Trustee) the Company will promptly notify the Trustee of its action or failure so to act.

The Company will cause each Paying Agent for any series of Securities other than the Trustee to execute and deliver to the Trustee an instrument in which such Paying Agent shall agree with the Trustee, subject to the provisions of this Section, that such Paying Agent will:

(1) hold all sums held by it for the payment of the principal of (and premium, if any) or interest on Securities of that series in trust for the benefit of the Persons entitled thereto until such sums shall be paid to such Persons or otherwise disposed of as herein provided;

(2) give the Trustee notice of any default by the Company (or any other obligor upon the Securities of that series) in the making of any payment of principal (and premium, if any) or interest on the Securities of that series; and

(3) at any time during the continuance of any such default, upon the written request of the Trustee, forthwith pay to the Trustee all sums so held in trust by such Paying Agent.

The Company may at any time, for the purpose of obtaining the satisfaction and discharge of this Indenture or for any other purpose, pay, or by Company Order of the Company direct any Paying Agent to pay to the Trustee all sums held in trust by the Company or such Paying Agent, such sums to be held by the Trustee upon the same trusts as those upon which such sums were held by the Company or such Paying Agent; and, upon such payment by any Paying Agent to the Trustee, such Paying Agent shall be released from all further liability with respect to such money.

Any money deposited with the Trustee or any Paying Agent, or then held by the Company in trust for the payment of the principal of (and premium, if any) or interest on any Security of any series and remaining unclaimed for two years after such principal (and premium, if any) or interest has become due and payable shall be paid to the Company on Company Request or (if then held by the Company) shall be discharged from such trust, subject to any other requirements imposed on the Trustee by applicable law; and the Holder of such Security shall thereafter, as an unsecured general creditor, look only to the Company for payment thereof, and all liability of the Trustee or such Paying Agent with respect to such trust money, and all liability of the Company as trustee thereof, shall thereupon cease; *provided, however,* that the Trustee or such Paying Agent, before being required to make any such repayment, shall at the expense of the Company cause to be published once, in a newspaper published in the English language, customarily published on each Business Day and of general circulation in the Borough of Manhattan, The City of New York, notice that such money remains unclaimed and that, after a date specified therein, which shall not be less than 30 days from the date of such publication, any unclaimed balance of such money then remaining will be repaid to the Company.

Section 1004. Statement by Officers as to Default.

The Company shall deliver to the Trustee within 30 days after the occurrence thereof written notice of any event which with the giving of notice and the lapse of time or both would become an Event of Default.

The Company shall deliver to the Trustee, within 120 days after the end of each Fiscal Year of the Company ending after the date hereof, an Officers' Certificate, stating whether or not to the best knowledge of the signers thereof the Company is in default in the performance and observance of any of the terms, provisions and conditions applicable to the Company hereunder, and if the Company shall be in default, specifying all such defaults and the nature and status thereof of which they may have knowledge.

ARTICLE ELEVEN
Redemption of Securities

Section 1101. Applicability of Article.

Securities of any series which are redeemable before their Stated Maturity shall be redeemable in accordance with their terms and (except as otherwise specified as contemplated by Section 301 for Securities of any series) in accordance with this Article.

Section 1102. Election to Redeem; Notice to Trustee.

The election of the Company to redeem any Securities shall be evidenced by a Board Resolution. In case of any redemption at the election of the Company of less than all the Securities of like tenor of any series, the Company shall, at least 60 days prior to the Redemption Date fixed by the Company (unless a shorter notice shall be satisfactory to the Trustee), notify the Trustee of such Redemption Date and of the principal amount of Securities of such series to be redeemed. In the case of any redemption of Securities prior to the expiration of any restriction on such redemption provided in the terms of such Securities or elsewhere in this Indenture, the Company shall furnish the Trustee with an Officers' Certificate evidencing compliance with such restriction.

Section 1103. Selection by Trustee of Securities to Be Redeemed.

If less than all the Securities of like tenor of any series are to be redeemed, the particular Securities to be redeemed shall be selected not more than 60 days prior to the Redemption Date by the Trustee, from the Outstanding Securities of like tenor of such series not previously called for redemption, by such method as the Trustee shall deem fair and appropriate and which may provide for the selection for redemption of portions (equal to the minimum authorized denomination for Securities of that series or any integral multiple thereof) of the principal amount of such Securities of a denomination larger than the minimum authorized denomination for such Securities.

The Trustee shall promptly notify the Company in writing of the Securities selected for redemption and, in the case of any Securities selected for partial redemption, the principal amount thereof to be redeemed.

For all purposes of this Indenture, unless the context otherwise requires, all provisions relating to the redemption of Securities shall relate, in the case of any Securities redeemed or to be redeemed only in part, to the portion of the principal amount of such Securities which has been or is to be redeemed.

Section 1104. Notice of Redemption.

Notice of redemption shall be given by first-class mail, postage prepaid, mailed not less than 30 nor more than 60 days prior to the Redemption Date unless a shorter period is specified pursuant to Section 301, to each Holder of Securities to be redeemed, at his address appearing in the Security Register.

All notices of redemption shall state:

(1) the Redemption Date,

(2) the Redemption Price,

(3) the CUSIP Number of the Securities to be redeemed,

(4) if less than all the Outstanding Securities of like tenor of any series are to be redeemed, the identification (and, in the case of partial redemption, the principal amounts) of the particular Securities to be redeemed,

(5) that on the Redemption Date the Redemption Price will become due and payable upon each such Security to be redeemed and, if applicable, that interest thereon will cease to accrue on and after said date,

(6) the place or places where such Securities are to be surrendered for payment of the Redemption Price, and

(7) that the redemption is for a sinking fund, if such is the case.

Notice of redemption of Securities to be redeemed at the election of the Company shall be given by the Company or, at the Company's request, by the Trustee in the name and at the expense of the Company.

Section 1105. Deposit of Redemption Price.

Unless the Company has otherwise made an election to have Section 1302 apply to the Securities of any series and has complied with the provisions of Section 1303, on or prior to any Redemption Date, the Company shall deposit with the Trustee or with a Paying Agent (or, if the Company is acting as its own Paying Agent, segregate and hold in trust as provided in Section 1003) an amount of money sufficient to pay the Redemption Price of, and (except if the

Redemption Date shall be an Interest Payment Date) accrued interest on, all the Securities which are to be redeemed on that date.

Section 1106. Securities Payable on Redemption Date.

Notice of redemption having been given as aforesaid, the Securities so to be redeemed shall, on the Redemption Date, become due and payable at the Redemption Price therein specified, and from and after such date (unless the Company shall default in the payment of the Redemption Price and accrued interest) such Securities shall cease to bear interest. Upon surrender of any such Security for redemption in accordance with said notice, such Security shall be paid by the Company or by the Trustee, if the Company has made an election pursuant to Section 1301, at the Redemption Price, together with accrued interest to the Redemption Date; *provided, however*, that installments of interest whose Stated Maturity is on or prior to the Redemption Date shall be payable to the Holders of such Securities, or one or more Predecessor Securities, registered as such at the close of business on the relevant Record Dates according to their terms and the provisions of Section 307.

If any Security called for redemption shall not be so paid upon surrender thereof for redemption, the principal (and premium, if any) shall, until paid, bear interest from the Redemption Date at the rate prescribed therefor in the Security.

Section 1107. Securities Redeemed in Part.

Any Security which is to be redeemed only in part shall be surrendered at a Place of Payment therefor (with, if the Company or the Trustee so requires, due endorsement by, or a written instrument of transfer in form satisfactory to the Company and the Trustee duly executed by, the Holder thereof or his attorney duly authorized in writing), and the Company shall execute and the Trustee shall authenticate and make available for delivery to the Holder of such Security without service charge, a new Security or Securities of the same series and of like tenor, of any authorized denomination as requested by such Holder, in aggregate principal amount equal to and in exchange for the unredeemed portion of the principal of the Security so surrendered. If a Global Security is so surrendered, such new Security so issued shall be a new Global Security.

ARTICLE TWELVE
Sinking Funds

Section 1201. Applicability of Article.

The provisions of this Article shall be applicable to any sinking fund for the retirement of Securities of a series except as otherwise specified as contemplated by Section 301 for Securities of such series.

The minimum amount of any sinking fund payment provided for by the terms of Securities of any series is herein referred to as a "mandatory sinking fund payment," and any payment in excess of such minimum amount provided for by the terms of Securities of any series is herein referred to as an "optional sinking fund payment." If provided for by the terms of

Securities of any series, the cash amount of any sinking fund payment may be subject to reduction as provided in Section 1202. Each sinking fund payment shall be applied to the redemption of Securities of any series as provided for by the terms of Securities of such series.

Section 1202. Satisfaction of Sinking Fund Payments with Securities.

The Company (1) may deliver Outstanding Securities of a series (other than any previously called for redemption) and (2) may apply as a credit Securities of a series which have been redeemed either at the election of the Company pursuant to the terms of such Securities or through the application of permitted optional sinking fund payments pursuant to the terms of such Securities, in each case in satisfaction of all or any part of any sinking fund payment with respect to the Securities of such series required to be made pursuant to the terms of such Securities as provided for by the terms of such series; *provided* that such Securities have not been previously so credited. Such Securities shall be received and credited for such purpose by the Trustee at the Redemption Price specified in such Securities for redemption through operation of the sinking fund and the amount of such sinking fund payment shall be reduced accordingly.

Section 1203. Redemption of Securities for Sinking Fund.

Not less than 60 days prior to each sinking fund payment date for any series of Securities, the Company will deliver to the Trustee an Officers' Certificate specifying the amount of the next ensuing sinking fund payment for that series pursuant to the terms of that series, the portion thereof, if any, which is to be satisfied by payment of cash and the portion thereof, if any, which is to be satisfied by delivering and crediting Securities of that series pursuant to Section 1202 and will also deliver to the Trustee any Securities to be so delivered. Not less than 30 days before each such sinking fund payment date the Trustee shall select the Securities to be redeemed upon such sinking fund payment date in the manner specified in Section 1103 and cause notice of the redemption thereof to be given in the name of and at the expense of the Company in the manner provided in Section 1104. Such notice having been duly given, the redemption of such Securities shall be made upon the terms and in the manner stated in Sections 1106 and 1107.

ARTICLE THIRTEEN
Defeasance

Section 1301. Applicability of Article; Company's Option to Effect Defeasance.

Unless otherwise provided for the Securities of any series pursuant to Section 301, the provisions of Article Thirteen shall be applicable to the Securities of any series, and the Company may at its option by or pursuant to a Board Resolution, at any time, with respect to the Securities of such series, elect to have Section 1302 be applied to the Outstanding Securities of such series upon compliance with the conditions set forth below in this Article Thirteen.

Section 1302. Defeasance and Discharge.

Upon the Company's exercise of the above option applicable to this Section, the Company shall be deemed to have been discharged from its obligations with respect to the Outstanding Securities of such series on the date the conditions set forth below are satisfied (hereinafter, "Defeasance"). For this purpose, such Defeasance means that the Company shall be deemed to have paid and discharged the entire indebtedness represented by the Outstanding Securities of such series and to have satisfied all its other obligations under such Securities and this Indenture insofar as such Securities are concerned (and the Trustee, at the expense of the Company, shall execute proper instruments acknowledging the same), except for the following which shall survive until otherwise terminated or discharged hereunder: (A) the rights of Holders of Outstanding Securities of such series to receive, solely from the trust fund described in Section 1303 and as more fully set forth in such Section, payments in respect of the principal of (and premium, if any) and interest on such Securities when such payments are due, (B) the Company's obligations with respect to such Securities under Sections 304, 305, 306, 1002, 1003 and 1102, (C) the rights, powers, trusts, duties, and immunities of the Trustee under Sections 305, 306, 307, 309, 402, 607, the last paragraph of Section 1003 and Sections 1104 and 1106, and otherwise the duty of the Trustee to authenticate Securities of such series issued on registration of transfer or exchange and (D) this Article Thirteen. Subject to compliance with this Article Thirteen, the Company may exercise its option under this Section 1302.

Section 1303. Conditions to Defeasance.

The following shall be the conditions to application of Section 1302 to the Outstanding Securities of such series:

(a) the Company shall irrevocably have deposited or caused to be deposited with the Trustee (or another trustee satisfying the requirements of Section 609 who shall agree to comply with the provisions of this Article Thirteen applicable to it) as trust funds in trust for the purpose of making the following payments, specifically pledged as security for, and dedicated solely to, the benefit of the holders of such Securities, (A) money in an amount, or (B) U.S. Government Obligations which through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide, not later than one day before the due date of any payment, money in an amount, or (C) a combination thereof, sufficient, in the opinion of a nationally recognized firm of independent public accountants or a nationally reconized investment banking firm acceptable to the Company expressed in a written certification thereof delivered to the Trustee, to pay and discharge, and which shall be applied by the Trustee (or other qualifying trustee) to pay and discharge, (i) the principal of (and premium, if any) and each installment of principal of (and premium, if any) and interest on the Outstanding Securities of such series on any Redemption Date, if the Company has irrevocably elected to cause the Outstanding Securities of such series subject to redemption to be redeemed on a specific Redemption Date by giving notice to the Trustee of such election at the time it exercises its option pursuant to Section 1302, or on the Stated Maturity of such principal or installment of principal or interest and (ii) any mandatory sinking fund payments or analogous payments applicable to the Outstanding Securities of such series on the day on which such payments are due and payable in

accordance with the terms of this Indenture and of such Securities. For this purpose, "U.S. Government Obligations" means securities that are (x) direct obligations of the United States of America for the payment of which its full faith and credit is pledged or (y) obligations of a Person Controlled or supervised by and acting as an agency or instrumentality of the United States of America the payment of which is unconditionally guaranteed as a full faith and credit obligation by the United States of America, which, in either case, are not callable or redeemable at the option of the issuer thereof, and shall also include a depository receipt issued by a bank (as defined in Section 3(a)(2) of the Securities Act of 1933, as amended) as custodian with respect to any such U.S. Government Obligation or a specific payment of principal of or interest on any such U.S. Government Obligation held by such custodian for the account of the holder of such depository receipt, *provided* that (except as required by law) such custodian is not authorized to make any deduction from the amount payable to the holder of such depository receipt from any amount received by the custodian in respect of the U.S. Government Obligation or the specific payment of principal of or interest on the U.S. Government Obligation evidenced by such depository receipt.

(b) (i) No Event of Default or event which with notice or lapse of time or both would become an Event of Default with respect to the Securities of such series shall have occurred and be continuing on the date of such deposit, and (ii) with respect to a Defeasance and discharge under Section 1302, no such Event of Default or event shall have occurred and be continuing under subsection 501(5) or (6) hereof at any time during the period ending on the 91st day after the date of such deposit or, if longer, ending on the day following the expiration of the longest preference period applicable to the Company in respect of such deposit (it being understood that this condition shall not be deemed satisfied until the expiration of such period); *provided* that in connection with a Defeasance under Section 1302 the Company will be released from its covenant under Section 1004 immediately upon the making of the deposit under subsection (a) without reference to the additional period of time referred to in this subsection (ii); and *provided, further, however*, that if (x) a bank with an investment rating of at least A by each of Standard & Poor's Corporation and Moody's Investors Service, Inc. shall issue in favor of the Trustee, for the benefit of the Holders of the Outstanding Securities to be defeased hereunder, an unsecured letter of credit to guarantee the deposit referred to in subparagraph (a) above and (y) the Company shall provide to the Trustee an Opinion of Counsel (which shall be nationally recognized Counsel experienced in bankruptcy matters) satisfactory to the Trustee to the effect that no payments pursuant to the letter of credit to be made for the benefit of the Holders of the Outstanding Securities to be defeased hereunder would be subject to recapture, as a preference or otherwise, by any trustee in bankruptcy of the Company, then this condition shall be satisfied without regard to the period of time referred to in subsection (ii) above.

(c) Such Defeasance shall not cause the Trustee for the Securities of such series to have a conflicting interest as defined in Section 608 and for purposes of the Trust Indenture Act with respect to any securities of the Company.

(d) Such Defeasance shall not result in a breach or violation of, or constitute a default under, this Indenture or any other agreement or instrument to which the Company is a party or by which it is bound.

(e) Such Defeasance shall not cause any Securities of such series then listed on any registered national securities exchange under the Securities Exchange Act of 1934, as amended, to be delisted.

(f) Such Defeasance shall be effected in compliance with any additional terms, conditions or limitations which may be imposed on the Company in connection therewith pursuant to Section 301.

(g) The Company shall have delivered to the Trustee an Officers' Certificate and an Opinion of Counsel, each stating that all conditions precedent provided for relating to the Defeasance under Section 1302 have been complied with.

Section 1304. Deposited Money and U.S. Government Obligations to Be Held in Trust; Other Miscellaneous Provisions.

Subject to the provisions of the last paragraph of Section 1003, all money and U.S. Government Obligations (including the proceeds thereof) deposited with the Trustee (or other qualifying trustee -- collectively, for purposes of this Section 1304, the "Trustee") pursuant to Section 1304 in respect of the Outstanding Securities of such series shall be held in trust and applied by the Trustee, in accordance with the provisions of such Securities and this Indenture, to the payment, either directly or through any Paying Agent (including the Company acting as its own paying agent) as the Trustee may determine, to the Holders of such Securities, of all sums due and to become due thereon in respect of principal (and premium, if any) and interest, but such money need not be segregated from other funds except to the extent required by law.

The Company shall pay and indemnify the Trustee against any tax, fee or other charge imposed on or assessed against the U.S. Government Obligations deposited pursuant to Section 1304 or the principal and interest received in respect thereof other than any such tax, fee or other charge which by law is for the account of the Holders of the Outstanding Securities of such series.

Anything in this Article Thirteen to the contrary notwithstanding, the Trustee shall deliver or pay to the Company from time to time upon Company Request any money or U.S. Government Obligations held by it as provided in Section 1304 which, in the opinion of a nationally recognized firm of independent public accountants or a nationally recognized investment banking firm acceptable to the Company expressed in a written certification thereof delivered to the Trustee, are in excess of the amount thereof which would then be required to be deposited to effect an equivalent Defeasance or covenant Defeasance.

Section 1305. Reinstatement.

If the Trustee is unable to apply any money in accordance with Section 401 or Section 1302 by reason of any legal proceeding or by reason of any order or judgment of any court or governmental authority enjoining, restraining or otherwise prohibiting such application,

the Company's obligations under this Indenture and the Securities of such series shall be revived and reinstated as though no deposit had occurred pursuant to Section 401 or Section 1302 until such time as the Trustee is permitted to apply all such money in accordance with Section 401 or Section 1302; provided, however, that if the Company has made any payment of interest on or principal of (and premium, if any, on) any Securities of such series because of the reinstatement of its obligations, the Company shall be subrogated to the rights of the Holders of such series of Securities to receive such payment from the money held by the Trustee.

* * * *

This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

[The balance of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Indenture to be duly executed, and their respective corporate seals to be hereunto affixed, all as of the day and year first above written.

TAMPA ELECTRIC COMPANY

By_____
Girard F. Anderson
Chairman of the Board and Chief Executive Officer

[Corporate Seal]

THE BANK OF NEW YORK,
as Trustee

By_____
Name:
Title:

[Corporate Seal]

State of)
) SS.:
County of)

On the _____ day of _____, 1998 before me personally came Girard F. Anderson, to me known, who, being by me duly sworn, did depose and say that he is Chairman of the Board and Chief Executive Officer of TAMPA ELECTRIC COMPANY, one of the corporations described in and which executed the foregoing instrument; that he knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation, and that he signed his name thereto by like authority.

_____
Notary Public

State of New York)
) SS.:
County of New York)

On the _____ day of _____ 1998 before me personally came _____ to me known, who, being by me duly sworn, did depose and say that he/she is _____ of THE BANK OF NEW YORK, one of the corporations described in and which executed the foregoing instrument; that he/she knows the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the Board of Directors of said corporation, and that he/she signed his/her names thereto by like authority.

_____
Notary Public

TAMPA ELECTRIC COMPANY

and

THE BANK OF NEW YORK
As Trustee

THIRD SUPPLEMENTAL INDENTURE

dated as of June 15, 2001

Supplementing the Indenture

dated as of July 1, 1998

$250,000,000

6.875% Notes Due 2012

TABLE OF CONTENTS

This Third Supplemental Indenture, dated as of June 15, 2001, between Tampa Electric Company, a corporation duly organized and existing under the laws of the State of Florida (hereinafter called the "Company") and having its principal office at TECO Plaza, 702 North Franklin Street, Tampa, Florida 33602, and The Bank of New York, as trustee (hereinafter called the "Trustee") and having its principal corporate trust office at 101 Barclay Street, 21st Floor West, New York, New York 10286.

WITNESSETH:

WHEREAS, the Company and the Trustee entered into an Indenture, dated as of July 1, 1998 (the "Original Indenture"), pursuant to which one or more series of debt of the Company (the "Securities") may be issued from time to time; and

WHEREAS, Section 201 of the Original Indenture permits the terms of any series of Securities to be established in an indenture supplemental to the Original Indenture; and

WHEREAS, Section 901(7) of the Original Indenture provides that a supplemental indenture may be entered into by the Company and the Trustee without the consent of any Holders of the Securities to establish the form and terms of the Securities of any series; and

WHEREAS, the Company has requested the Trustee to join with it in the execution and delivery of this Third Supplemental Indenture in order to supplement and amend the Original Indenture by, among other things, establishing the form and terms of one series of Securities to be known as the Company's "6.875% Notes Due 2012" (the "Notes") and amending and adding certain provisions thereof for the benefit of the Holders of the Notes; and

WHEREAS, the Company and the Trustee desire to enter into this Third Supplemental Indenture for the purposes set forth in Sections 201 and 901 of the Original Indenture as referred to above; and

WHEREAS, the Company has furnished the Trustee with a Board Resolution authorizing the execution of this Third Supplemental Indenture; and

WHEREAS, all things necessary to make this Third Supplemental Indenture a valid agreement of the Company and the Trustee and a valid supplement to the Original Indenture have been done,

NOW, THEREFORE, THIS THIRD SUPPLEMENTAL INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Notes to be issued hereunder by holders thereof, the Company and the Trustee mutually covenant and agree, for the equal and proportionate benefit of the respective holders from time to time of the Notes, as follows:

ARTICLE ONE
Definitions and Other Provisions of General Application

Section 101. Definitions

All capitalized terms that are used herein and not otherwise defined herein shall have the meanings assigned to them in the Original Indenture. The Original Indenture together with this Third Supplemental Indenture are hereinafter sometimes collectively referred to as the "Indenture."

"Business Day" shall mean any day other than a Saturday or Sunday that is neither a legal holiday nor a day on which banking institutions are authorized or required by law or regulations to close in the City of New York.

"Depositary" shall have the meaning specified in Section 203 hereof.

"Interest Rate" shall mean the annual rate of interest applicable to the Notes.

"Interest Payment Date" shall have the meaning set forth in Section 204(a) hereof.

"Notes" shall have the meaning set forth in Section 201 hereof.

"Original Issue Date" shall mean the date upon which the Notes are initially issued by the Company, such date to be set forth on the face of the Note.

"Record Date" shall mean the fifteenth calendar day (whether or not a Business Day) immediately preceding the related Interest Payment Date.

"Stated Maturity Date" shall mean June 15, 2012.

Section 102. Section References

Each reference to a particular section set forth in this Third Supplemental Indenture shall, unless the context otherwise requires, refer to this Third Supplemental Indenture.

ARTICLE TWO
Designation and Terms of the Notes

Section 201. Establishment of Series

There is hereby created a series of Securities to be known and designated as the "6.875% Notes Due 2012" (the "Notes"), which shall rank equally with each other and all other unsecured and unsubordinated indebtedness of the Company. For the purposes of the Original Indenture, the Notes shall constitute a single series of Securities.

Section 202. Variations in Terms of Notes

Subject to the terms and conditions set forth in the Original Indenture and in this Third Supplemental Indenture, the terms of any particular Note may vary from the terms of any other Note as contemplated by Section 301 of the Original Indenture, and the terms for a particular Note will be set forth in such Note as delivered to the Trustee or an Authenticating Agent for authentication pursuant to Section 303 of the Original Indenture.

Section 203. Amount and Denominations; the Depositary

The aggregate principal amount of Notes that may be issued under this Third Supplemental Indenture is limited to $250,000,000. The authorized denominations of Notes shall be $1,000 or integral multiples of $1,000 in excess thereof.

The Notes shall be issuable only in fully registered form, without coupons, and will initially be registered in the name of The Depository Trust Company or its successor ("Depositary"), or its nominee who is hereby designated as "U.S. Depositary" under the Original Indenture.

Section 204. Interest Rates and Interest Payment Dates

(a) *Interest Rate.* The Notes shall bear interest at the annual rate set forth on the face thereof (the "Interest Rate") from the Original Issue Date to the Stated Maturity Date. Interest on the Notes will be payable semi-annually on June 15 and December 15 of each year (each, an "Interest Payment Date"), commencing on December 15, 2001. Such interest will be payable to the holder thereof as of the related Record Date.

(b) *Computation of Interest.* The amount of interest payable for any period will be computed on the basis of a year of 360 days consisting of twelve 30-day months. Except for the effect of any adjustment in the Interest Payment Date as provided in the following sentence, the amount of interest payable for any period shorter than a full six-month period for which interest is computed, will be computed on the basis of the actual number of days elapsed in such a 180-day period. If any Interest Payment Date would otherwise be a day that is not a Business Day, such Interest Payment Date will be postponed to the next succeeding Business Day, and no interest will accrue on such payment for the period from and after such Interest Payment Date to the date of such payment on the next succeeding Business Day, except that, if such Business Day is in the next succeeding calendar year, such payment shall be made on the immediately preceding Business Day, in each case with the same force and effect as if made on such date.

Section 205. Form and Other Terms of the Notes

(a) Attached hereto as Exhibit A is the form of Note, which form is hereby established as the form in which Notes may be issued.

(b) Subject to (a) above, any Note may be issued in such other form as may be provided by, or not inconsistent with, the terms of the Original Indenture and this Third Supplemental Indenture.

Section 206. Authentication and Delivery

As provided in and pursuant to Section 303 of the Original Indenture, each time that the Company delivers Notes to the Trustee or Authenticating Agent for authentication after the initial issuance of Notes under this Indenture, the Company shall deliver a Supplemental Company Order in the form of Exhibit B to this Third Supplemental Indenture for the authentication and delivery of such Notes and the Trustee or such Authenticating Agent shall authenticate and deliver such Notes.

Section 207. Redemption, No Sinking Fund

The Notes are subject to redemption, in whole or in part, at any time, and at the option of the Company, at a redemption price equal to the greater of:

(i) 100% of the principal amount of Notes then outstanding to be redeemed, or

(ii) the sum of the present values of the remaining scheduled payments of principal and interest on the Notes then outstanding to be redeemed (not including any portion of such payments of interest accrued as of the redemption date) discounted to the redemption date on a semiannual basis (computed based on a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate, plus 25 basis points (0.25%), as calculated by an Independent Investment Banker,

plus, in both of the above cases, accrued and unpaid interest thereon to the redemption date.

The Company will mail a notice of redemption at least 30 days but no more than 60 days before the redemption date to each holder of Notes to be redeemed. If the Company elects to partially redeem the Notes, the Trustee will select in a fair and appropriate manner the Notes to be redeemed.

Unless the Company defaults in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the Notes or portions thereof called for redemption.

The Notes are not entitled to the benefit of any sinking fund or analogous provision.

"Adjusted Treasury Rate" means, with respect to any redemption date:

(iii) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated "H.15(519)" or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption "Treasury Constant Maturities," for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three months before or after the Remaining Life, as defined below, yields for the two published maturities most closely

corresponding to the Comparable Treasury Issue will be determined and the Adjusted Treasury Rate will be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month); or

(iv) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

The Adjusted Treasury Rate will be calculated on the third Business Day preceding the redemption date.

"Comparable Treasury Issue" means the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the Notes to be redeemed that would be used, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such Notes (the "Remaining Life").

"Comparable Treasury Price" means (1) the average of five Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (2) if the Independent Investment Banker obtains fewer than five such Reference Treasury Dealer Quotations, the average of all such quotations.

"Independent Investment Banker" means Banc of America Securities LLC and its successors, or if that firm is unwilling or unable to serve as such, an independent investment and banking institution of national standing appointed by the Company.

"Reference Treasury Dealer" means:

(i) Banc of America Securities LLC and its successors; *provided* that, if Banc of America Securities LLC ceases to be a primary U.S. Government securities dealer in New York City (a "Primary Treasury Dealer"), the Company will substitute another Primary Treasury Dealer; and

(ii) up to four other Primary Treasury Dealers selected by the Company.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker at 5:00 p.m., New York City time, on the third Business Day preceding such redemption date.

ARTICLE THREE
Amendments to Original Indenture

Section 301. Amendment to Correct Section 610 of Original Indenture

In order to correct a mistaken reference, pursuant to Section 901(9) of the Original Indenture, Section 610(d)(1) of the Original Indenture is hereby amended, effective immediately, to read as follows:

"(d) If at any time:

(1) the Trustee shall fail to comply with Section 608 after written request therefor by the Company or any Holder who has been a bona fide Holder of a Security for at least six months, or"

Section 302. Additional Amendment to Modify Definition in the Original Indenture

In order to modify a provision of the Original Indenture in a manner not adversely affecting the interests of the Holders of Securities of any series in any material respect, pursuant to Section 901(9) of the Original Indenture, the definition of "Company Request" or "Company Order" in Section 101 of the Original Indenture is hereby amended, effective immediately, to read as follows:

"'Company Request' or 'Company Order' means a written request or order signed in the name of the Company by its President, a Vice President, its Chief Financial Officer, its Treasurer or an Assistant Treasurer and delivered to the Trustee."

Section 303. Amendment to Section 801 of Original Indenture

Subparagraph (1) of Section 801 of the Original Indenture is amended, effective as provided in Section 304 hereof, to read as follows:

"(1) the Corporation formed by such consolidation into which the Company is merged or the Person which acquires by conveyance or transfer the properties and assets of the Company substantially as an entirety (a) shall be, if a Corporation, a Corporation organized and existing under the laws of (i) the United States of America or any State or the District of Columbia or (ii) a foreign jurisdiction and which consents to the jurisdiction of the courts of the United States of America or of any State, and (b) shall expressly assume, by an indenture supplemental hereto, executed and delivered to the Trustee, in form satisfactory to the Trustee, the due and punctual payment of the principal of (and premium, if any) and interest on all the Securities and the performance of every covenant of this Indenture on the part of the Company to be performed or observed;"

Section 304. Effectiveness of Amendment under Section 303.

The amendment to the Original Indenture set forth in Section 303 hereof shall be effective upon the approval of the Holders of Outstanding Securities under the Indenture as required by Section 901(5) and Section 902 of the Original Indenture. For this purpose, the Holders of the Notes, by their acquisition thereof, shall be deemed to have approved such amendment.

ARTICLE FOUR
Miscellaneous

Section 401. Effect On Original Indenture

The Third Supplemental Indenture is a supplement to the Original Indenture. As supplemented by this Third Supplemental Indenture, the Original Indenture is in all respects ratified, approved and confirmed, and the Original Indenture and this Third Supplemental Indenture shall together constitute one and the same instrument.

Section 402. Counterparts

This Third Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute by one and the same instrument.

Section 403. Recitals

The recitals contained herein shall be taken as the statements of the Company, and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Third Supplemental Indenture.

Section 404. Governing Law

This Third Supplemental Indenture shall be governed by and construed in accordance with the laws of the jurisdiction that govern the Original Indenture and its construction.

[The balance of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Third Supplemental Indenture to be duly executed as of the date and year first written above.

TAMPA ELECTRIC COMPANY

By:_____
Name:
Title:

THE BANK OF NEW YORK, AS TRUSTEE

By:_____
Name:
Title:

State of)
) SS.:
County of)

On the _____ day of June, 2001 before me personally came _____, to me known, who, being by me duly sworn, did depose and say that s/he is _____ of TAMPA ELECTRIC COMPANY, one of the corporations described in and which executed the foregoing instrument.

_____
Notary Public

State of New York)
) SS.:
County of New York)

On the ___ day of June, 2001 before me personally came _____, to me known, who, being by me duly sworn, did depose and say that he/she is _____ of THE BANK OF NEW YORK, one of the corporations described in and which executed the foregoing instrument.

_____
Notary Public

EXHIBIT A

FORM OF NOTE

EXHIBIT B

TAMPA ELECTRIC COMPANY

6.875% NOTES DUE 2012

SUPPLEMENTAL COMPANY ORDER

Pursuant to Section 206 of Article Two of the Third Supplemental Indenture, dated as of June 15, 2001, to the Indenture, dated as of July 1, 1998, as amended, you are instructed to prepare and authenticate a Note, of the series identified above, in the principal amount of $_____. The Note is being delivered in exchange for issued and outstanding Notes of the series identified above.

IN WITNESS WHEREOF, I have hereunto set my hand this ___ day of _____, ____.

TAMPA ELECTRIC COMPANY

By:_____
Name:
Title:

CUSIP NO.: 875127AS1 PRINCIPAL AMOUNT: $250,000,000

REGISTERED NO. 1

TAMPA ELECTRIC COMPANY

6.875% Notes Due 2012

☒ Check this box if the Note is a Global Note.
Applicable if the Note is a Global Note:

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION, TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY), *ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL* INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

This Note is a Global Security within the meaning of the Indenture hereinafter referred to and is registered in the name of Cede & Co., or such other nominee of The Depository Trust Company, a New York corporation, or any successor depositary ("Depositary"), as requested by an authorized representative of the Depositary. This Note is exchangeable for Notes registered in the name of a person other than the Depositary or its nominee only in the limited circumstances described in the Indenture and may not be transferred except as a whole by the Depositary to a nominee of the Depositary or by a nominee of the Depositary to the Depositary or another nominee of the Depositary.

ORIGINAL ISSUE DATE: June 25, 2001

ISSUE PRICE: 99.578% (as a percentage of principal amount)

STATED MATURITY: June 15, 2012

INTEREST RATE: To but excluding June 15, 2012, 6.875% per annum.

INTEREST PAYMENT DATES: June 15 and December 15 of each year, up to but excluding June 15, 2012, commencing December 15, 2001.

SPECIFIED CURRENCY: U.S. dollars (if other than U.S. dollars): N/A

AUTHORIZED DENOMINATIONS: N/A (Only applicable if Specified Currency is other than U.S. dollars)

SINKING FUND: N/A

YIELD TO MATURITY: N/A

REDEMPTION: Redeemable in whole or in part, at the Company's option, from time to time at the redemption prices described on the reverse of this Note.

REMARKETING PROVISIONS: N/A

DEPOSITARY: The Depository Trust Company

TAMPA ELECTRIC COMPANY, a corporation duly organized and existing under the laws of the State of Florida (herein called the "Company," which term includes any successor Corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to CEDE & CO., or registered assigns, the principal sum set forth on the face of this Note on the Stated Maturity, upon the presentation and surrender hereof at the principal corporate trust office of The Bank of New York, or its successor in trust (the "Trustee") or such other office as the Trustee has designated in writing, and to pay interest on the unpaid principal balance hereof at a rate per annum (computed based on a 360-day year consisting of twelve 30-day months) equal to the Interest Rate set forth on the face of this Note for the period from the Original Issue Date to, but excluding, the Stated Maturity.

Interest will be payable on the Interest Payment Dates to the Person in whose name this Note is registered at the close of business on the related Record Date, which is the fifteenth calendar day (whether or not a Business Day) immediately preceding the related Interest Payment Date. In each case, payments shall be made in accordance with the provisions hereof, until the principal hereof is paid or duly made available for payment.

Interest on this Note will be computed on the basis of a year of 360 days consisting of twelve 30-day months.

Payment of the principal of (and premium, if any) and any such interest on this Note shall be made in immediately available funds at the office or agency of the Company maintained for that purpose in the City of New York in the State of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Note shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, TAMPA ELECTRIC COMPANY has caused this instrument to be duly executed.

COPY

Dated: June 25, 2001

TRUSTEE'S CERTIFICATE
OF AUTHENTICATION

This is one of the series designated therein referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK,
as Authenticating Agent for the Trustee

By: _____
Authorized signatory

TAMPA ELECTRIC COMPANY

By: _____
Name: Gordon L. Gillette
Title: Sr. Vice President - Finance, Chief Financial Officer

(REVERSE OF NOTE)

TAMPA ELECTRIC COMPANY

6.875% Notes Due 2012

This Note is one of a duly authorized issue of securities of the Company (herein called the "Notes"), issued and to be issued under an Indenture dated as of July 1, 1998, as supplemented by the Third Supplemental Indenture, dated as of June 15, 2001 (as such has been or shall be amended or supplemented, the "Indenture"), between the Company and The Bank of New York, as trustee (the "Trustee", which term includes any successor Trustee under the Indenture), to which Indenture reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Notes and of the terms upon which the Notes are, and are to be, authenticated and delivered. This Note is one of the securities of the series designated on the face hereof, limited in aggregate principal amount to $250,000,000.

DEFINITIONS

The following terms, as used herein, have the following meanings unless the context or use clearly indicates another or different meaning or intent:

"Adjusted Treasury Rate" means, with respect to any redemption date:

(i) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated "H.15(519)" or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption "Treasury Constant Maturities," for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three months before or after the Remaining Life, as defined below, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue will be determined and the Adjusted Treasury Rate will be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month); or

(ii) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

The Adjusted Treasury Rate will be calculated on the third Business Day preceding the redemption date.

"Business Day" shall mean any day other than a Saturday or Sunday that is neither a legal holiday nor a day on which banking institutions are authorized or required by law or regulations to close in the City of New York.

"Comparable Treasury Issue" means the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the Notes to be redeemed that would be used, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such Notes (the "Remaining Life").

"Comparable Treasury Price" means (1) the average of five Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (2) if the Independent Investment Banker obtains fewer than five such Reference Treasury Dealer Quotations, the average of all such quotations.

"Depositary" shall mean The Depository Trust Company or any successor depositary.

"Independent Investment Banker" means Banc of America Securities LLC and its successors, or if that firm is unwilling or unable to serve as such, an independent investment and banking institution of national standing appointed by the Company.

"Interest Payment Date" shall mean the date on which interest on this Note is paid, which date(s) are set forth on the face of this Note.

"Reference Treasury Dealer" means:

(i) Banc of America Securities LLC and its successors; *provided* that, if Banc of America Securities LLC ceases to be a primary U.S. Government securities dealer in New York City (Primary Treasury Dealer), the Company will substitute another Primary Treasury Dealer; and

(ii) up to four other Primary Treasury Dealers selected by the Company.

"Reference Treasury Dealer Quotations" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker at 5:00 p.m., New York City time, on the third Business Day preceding such redemption date.

INTEREST RATE

This Note will bear interest at the rate per annum (computed based on a 360-day year consisting of twelve 30-day months) identified on the face of this Note.

OPTIONAL REDEMPTION

The Notes are subject to redemption, in whole or in part, at any time, and at the option of the Company, at a redemption price equal to the greater of:

(i) 100% of the principal amount of Notes then outstanding to be redeemed, or

(ii) the sum of the present values of the remaining scheduled payments of principal and interest on the Notes then outstanding to be redeemed (not including any portion of such payments of interest accrued as of the redemption date) discounted to the redemption date on a semiannual basis (computed based on a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate, plus 25 basis points (0.25%), as calculated by an Independent Investment Banker,

plus, in both of the above cases, accrued and unpaid interest thereon to the redemption date.

The Company will mail a notice of redemption at least 30 days but no more than 60 days before the redemption date to each holder of Notes to be redeemed. If the Company elects to partially redeem the Notes, the Trustee will select in a fair and appropriate manner the Notes to be redeemed.

Unless the Company defaults in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the Notes or portions thereof called for redemption.

The Notes are not entitled to the benefit of any sinking fund or analogous provision.

TRANSFER OR EXCHANGE

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note is registerable in the Security Register, upon surrender of this Note for registration of transfer at the office or agency of the Company in any place where the principal of (and premium, if any) and interest on this Note are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Notes of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Notes are issuable only in registered form without coupons and, except for such Notes issued in book-entry form, only in denominations of $1,000 and any integral multiple of $1,000. As provided in the Indenture and subject to certain limitations therein set forth, this Note is exchangeable for a like aggregate principal amount of Notes of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Note for registration of transfer, the Company or the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the owner hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

OTHER PROVISIONS

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in principal amount of the Securities at the time Outstanding of each series to be affected and of the Holders of 66 2/3% in principal amount of the Securities at the time Outstanding of all series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. To the extent permitted by law, any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon this Note.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

All terms used in this Note which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

This Note shall be governed by and construed in accordance with the laws of The State of New York.

ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this instrument, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM	-- as tenants in common	UNIF GIFT MIN ACT--_____ CUSTODIAN_____
TEN ENT	-- as tenants by the entireties	(Cust) (Minor)
JT TEN	-- as joint tenants with right of survivorship and not as tenants in common	Under Uniform Gifts to Minors Act _____ (State)

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

Please Insert Social Security or
Other Identifying Number of Assignee

_____

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE

_____

_____

the within Security of TAMPA ELECTRIC COMPANY and does hereby irrevocably constitute and appoint _____ attorney to transfer said Security on the books of the Company, with full power of substitution in the premises.

Dated:_____ _____

_____

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within instrument in every particular, without alteration or enlargement or any change whatsoever.

Execution Copy

TAMPA ELECTRIC COMPANY

$250,000,000

6.875% Notes due 2012

UNDERWRITING AGREEMENT

June 20, 2001

To the Underwriters set forth
on Schedule A hereto

Ladies and Gentlemen:

Tampa Electric Company, a Florida corporation (the "Company"), proposes subject to the terms and conditions stated herein, to issue and sell to the Underwriters named in Schedule A hereto (the "Underwriters") an aggregate principal amount of $250,000,000 of 6.875% Notes due 2012 (the "Notes") (as more fully described in Schedule B hereto). The Notes will be issued pursuant to an indenture dated as of July 1, 1998 (the "Base Indenture") between the Company and The Bank of New York, as trustee (the "Indenture Trustee"), as amended and supplemented by the third supplemental indenture dated as of June 15, 2001 (the Base Indenture, as so supplemented and amended, being referred to herein as the "Indenture").

The Company understands that the Underwriters propose to make a public offering of the Notes as soon as Banc of America Securities LLC (the "Representative") deems advisable after this Agreement has been executed and delivered.

SECTION 1. Representations and Warranties.

(a) Representations and Warranties by the Company. The Company represents and warrants to each Underwriter as of the date hereof and as of the Closing Time referred to in Section 2(b) hereof, and agrees with each Underwriter, as follows:

(i) Compliance with Registration Requirements. The Company meets the requirements for use of Form S-3 under the Securities Act of 1933, as amended (the "1933 Act"). The Company has filed with the Securities and Exchange Commission (the "Commission") a registration statement on such Form (File No. 333-55090), which has become effective (including information, if any, deemed to be part of the registration statement at the time of effectiveness pursuant to Rule 430A under the 1933 Act), for the registration under the 1933 Act of the Notes. Such registration statement meets the requirements set forth in

Rule 415(a)(1)(x) under the 1933 Act and complies in all other respects with said Rule, and as amended at the date of this Agreement, including the exhibits thereto, is hereinafter called the "Registration Statement". The form of prospectus to be used in connection with the issuance and sale of the Notes included in such Registration Statement is hereinafter called the "Basic Prospectus"; the form of prospectus supplement included in such Registration Statement, or, if the Company files with the Commission a subsequent prospectus supplement to be used in connection with the issuance and sale of the Notes in accordance with Rule 424(b) under the 1933 Act, such subsequent prospectus, is hereinafter called the "Prospectus Supplement"; and the Basic Prospectus, as supplemented by the Prospectus Supplement, in the form in which it shall be filed with the Commission pursuant to Rule 424(b) is hereinafter called the "Prospectus". Any reference herein to the Registration Statement, the Basic Prospectus or the Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to Item 12 of Form S-3 which were filed under the Securities Exchange Act of 1934, as amended (the "1934 Act"), on or before the date of this Agreement, or the issue date of the Basic Prospectus or the Prospectus, as the case may be; and any reference herein to the terms "amend," "amendment" or "supplement" with respect to the Registration Statement, the Basic Prospectus or the Prospectus shall be deemed to refer to and include the filing of any document under the 1934 Act after the date of this Agreement, or the issue date of the Basic Prospectus or the Prospectus, as the case may be, deemed to be incorporated therein by reference. No stop order suspending the effectiveness of the Registration Statement is in effect, and no proceedings for such purpose are pending before or threatened by the Commission.

(ii) No Misstatements or Omissions. As of the date hereof, when the Prospectus is first filed or transmitted for filing pursuant to Rule 424(b) under the 1933 Act, when, prior to the Closing Time (as hereinafter defined), any amendment to the Registration Statement becomes effective (including the filing of any document incorporated by reference in the Registration Statement), when any amendment or supplement to the Prospectus is filed with the Commission and at the Closing Time, (i) the Registration Statement, as then amended as of any such time, the Prospectus, as then amended or supplemented as of any such time, and the Indenture will comply in all material respects with the applicable requirements of the 1933 Act, the Trust Indenture Act of 1939, as amended (the "1939 Act"), and the 1934 Act and the respective rules and regulations thereunder, and (ii) neither the Registration Statement, as then amended as of such time, nor the Prospectus, as then amended or supplemented as of such time, will contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading; provided, however, that the Company makes no representations or warranties as to (i) that part of the Registration Statement which shall constitute the Statement of Eligibility (Form T-1) under the 1939 Act of the applicable trustees or (ii) the information contained in or omitted from the Registration Statement or the Prospectus or any amendment thereof or supplement thereto in reliance upon and in conformity with information furnished in writing to the Company by or on behalf of any Underwriter through the Representative specifically for use in the Registration Statement and the Prospectus.

(iii) Status of the Company. The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Florida,

and has the power and authority to enter into and perform its obligations under this Agreement and the Indenture and to own its property and conduct its business as described in the Prospectus.

(iv) Authorization of Company Agreements. The Notes and the Indenture (collectively, the "Transaction Documents") have each been duly authorized by the Company, and, at the Closing Time, will have been duly executed and delivered by the Company, and, in the case of the Notes, when validly issued by the Company and validly authenticated and delivered by the Indenture Trustee, and, in the case of the Indenture, when validly executed and delivered by the Indenture Trustee, will constitute valid and legally binding obligations of the Company, enforceable against the Company in accordance with their respective terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing; the Indenture has been duly qualified under the 1939 Act; the Notes are entitled to the benefits of the Indenture; and the Transaction Documents will conform in all material respects to the descriptions thereof in the Prospectus.

(v) Authorization of Agreement. This Agreement has been duly authorized, executed and delivered by the Company.

(vi) Absence of Defaults and Conflicts. The Company is not in violation of its charter, by-laws or other organizational documents. The Company is not in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or other agreement or instrument to which the Company is a party or by which the Company may be bound, or to which any of the property or assets of the Company is subject (collectively, "Agreements and Instruments") except for such defaults that would not have a material adverse effect on the condition, financial or otherwise, or in the results of operations or business affairs of the Company, whether or not arising in the ordinary course of business (a "Material Adverse Effect"); and the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated herein and in the Registration Statement (including the issuance and sale of the Notes and the use of the proceeds from the sale of the Notes as described in the Prospectus under the caption "Use of Proceeds") and compliance by the Company with its obligations hereunder have been duly authorized by all necessary corporate or other action and do not and will not, whether with or without the giving of notice or passage of time or both, conflict with or constitute a breach of, or default or Repayment Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company pursuant to the Agreements and Instruments (except for such conflicts, breaches, defaults, Repayment Events or liens, charges or encumbrances that would not result in a Material Adverse Effect), nor will such action result in any violation of the provisions of the charter, by-laws or other organizational documents of the Company or any applicable law, statute, rule, regulation, judgment, order, writ or decree of any government, government instrumentality or court, domestic or foreign, having jurisdiction over the Company or any of their assets, properties or operations. As used herein, a "Repayment Event" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or

any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company.

(vii) Absence of Proceedings. Except as disclosed in the Prospectus, there are no pending actions, suits or proceedings against or affecting the Company, or any of the Company's properties that, if determined adversely to the Company, would individually or in the aggregate have a Material Adverse Effect, or would materially and adversely affect the ability of the Company to perform its obligations under this Agreement, or which are otherwise material in the context of the sale of the Notes; and no such actions, suits or proceedings are, to the Company's knowledge, threatened or contemplated.

(viii) No Material Adverse Change in Business. Except as disclosed in the Prospectus, since the date of the latest audited financial statements included in the Prospectus there has been no material adverse change in the condition (financial or other), business, properties or results of operations of the Company.

(ix) Absence of Further Requirements. No filing, registration or qualification with, or authorization, approval, consent, license, order or decree of, any court or governmental authority or agency, including the Florida Public Service Commission, is necessary or required for the performance by the Company of its obligations hereunder, in connection with the offering, issuance or sale of the Notes hereunder or the consummation of the transactions contemplated by this Agreement, except such as have been already obtained or made or as may be required under the 1933 Act or the rules and regulations of the Commission thereunder (the "1933 Act Regulations") or state securities laws.

(x) Qualification. The Company is duly qualified as a foreign corporation in all jurisdictions where it owns or leases substantial real properties or in which the conduct of its business requires qualification as a foreign corporation and in which the failure to so qualify could have a Material Adverse Effect.

(xi) Financial Statements. The financial statements of the Company, together with related notes, incorporated in the Registration Statement and the Prospectus present fairly, in accordance with generally accepted accounting principles consistently applied (except as stated therein and except the notes to the interim financial statements), the financial position and the results of operations of the Company, its consolidated subsidiaries and its predecessors at the dates and for the respective periods to which they apply.

(xii) Auditors. PricewaterhouseCoopers LLP, who have certified financial statements of the Company, are independent public accountants with respect to the Company and its subsidiaries as required by the 1933 Act and the 1933 Act Regulations.

(xiii) Investment Company Act. The Company is not, and upon the issuance and sale of the Notes as herein contemplated and the application of the net proceeds therefrom as described in the Prospectus will not be, an "investment company" or an entity

"controlled" by an "investment company" as such terms are defined in the Investment Company Act of 1940, as amended (the "1940 Act").

(xiv) Cuba. The Company and its subsidiaries have complied with all provisions of Section 517.075, Florida Statutes relating to doing business with the Government of Cuba or with any person or affiliate located in Cuba.

(xv) Officer's Certificates. Any certificate signed by any officer of the Company delivered to the Representative or to counsel for the Underwriters shall be deemed a representation and warranty by the Company to each Underwriter as to the matters covered thereby.

SECTION 2. Sale and Delivery to Underwriters, Closing.

(a) Notes. On the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, the Company agrees to sell to each Underwriter and each Underwriter, severally and not jointly, agrees to purchase from the Company, at the price and with the terms set forth in Schedule B, the principal amount of Notes set forth in Schedule A opposite the name of such Underwriter, plus any additional amount of Notes which such Underwriter may become obligated to purchase pursuant to the provisions of Section 10 hereof.

(b) Payment. Payment of the purchase price for, and delivery of, the Notes shall be made at the offices of the Representative, or at such other place as shall be agreed upon by the Representative and the Company at 9:00 A.M. (Eastern time) on the third (fourth, if the pricing occurs after 4:30 P.M. (Eastern time) on any given day) business day after the date hereof (unless postponed in accordance with the provisions of Section 10), or such other time not later than ten business days after such date as shall be agreed upon by the Representative and the Company (such time and date of payment and delivery being herein called the "Closing Time").

Payment shall be made by the Representative to the Company by wire transfer of immediately available or next day funds as set forth in Schedule B to a bank account(s) designated by the Company against delivery to the Representative for the respective accounts of the Underwriters of the Notes to be purchased by them. It is understood that each Underwriter has authorized the Representative, for its account, to accept delivery of, receipt for, and make payment of the purchase price for, the Notes which it has agreed to purchase.

(c) Denominations; Registration. The Notes shall be in such denominations and registered in such names as the Representative may request in writing at least one full business day before the Closing Time. The Notes will be made available for examination and packaging by the Representative in The City of New York not later than 10:00 A.M. (Eastern time) on the business day prior to the Closing Time.

SECTION 3. Covenants of the Company. The Company covenants with each Underwriter as follows:

(a) Compliance with Securities Regulations and Commission Requests. Subject to Section 3(b), it will prepare the Prospectus in a form approved by the Representative and file such Prospectus (pursuant to Rule 424(b) within the time prescribed under Rule 424(b) or Rule 430(A)(3), as the case may be) and will notify the Representative immediately, and confirm the notice in writing, (i) when any post-effective amendment to the Registration Statement shall become effective, or any supplement to the Prospectus or any amended Prospectus shall have been filed, (ii) of the receipt of any comments from the Commission, (iii) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or for additional information, and (iv) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement, or of the suspension of the qualification of the Notes for offering or sale in any jurisdiction, or of the initiation or threatening of any proceedings for any of such purposes. It will promptly effect the filings necessary pursuant to Rule 424(b) and will take such steps as it deems necessary to ascertain promptly whether the form of prospectus transmitted for filing under Rule 424(b) was received for filing by the Commission and, in the event that it was not, it will promptly file such prospectus. It will make every reasonable effort to prevent the issuance of any stop order and, if any stop order is issued, to obtain the withdrawal thereof at the earliest possible moment.

(b) Filing of Amendments. It will give the Representative notice of its intention to file or prepare any amendment to the Registration Statement or any amendment, supplement or revision to the Prospectus, whether pursuant to the 1933 Act, the 1934 Act or otherwise, will furnish the Representative with copies of any such documents a reasonable amount of time prior to such proposed filing or use, as the case may be, and will not file or use any such document to which the Representative or counsel for the Underwriters shall reasonably object.

(c) Delivery of Registration Statements. It has furnished or will deliver to the Representative and counsel for the Underwriters, without charge, one originally signed copy of the Registration Statement as originally filed and of each amendment thereto (including exhibits filed therewith or incorporated by reference therein and documents incorporated or deemed to be incorporated by reference therein) and one originally signed copy of all consents and certificates of experts, and will also deliver to the Representative, without charge, a conformed copy of the Registration Statement as originally filed and of each amendment thereto (without exhibits) for each of the Underwriters. The copies of the Registration Statement and each amendment thereto furnished to the Underwriters will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to its Electronic Data Gathering, Analysis and Retrieval System ("EDGAR"), except to the extent permitted by Regulation S-T.

(d) Delivery of Prospectuses. It has delivered to each Underwriter, without charge, as many copies of each Prospectus relating to the Notes as such Underwriter reasonably requested, and it hereby consents to the use of such copies for purposes permitted by the 1933 Act. It will furnish to each Underwriter, without charge, during the period when the Prospectus is required to be delivered under the 1933 Act or the 1934 Act, such number of copies of the Prospectus (as amended or supplemented) as such Underwriter may reasonably request. The

Prospectus and any amendments or supplements thereto furnished to the Underwriters will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

(e) Continued Compliance with Securities Laws. It will comply with the 1933 Act and the 1933 Act Regulations and the 1934 Act and the rules and regulations thereunder (the "1934 Act Regulations") so as to permit the completion of the distribution of the Notes as contemplated in this Agreement and in the Prospectus. If at any time when a prospectus is required by the 1933 Act to be delivered in connection with sales of the Notes, any event shall occur or condition shall exist as a result of which it is necessary, in the opinion of counsel for the Underwriters or for the Company, to amend the Registration Statement or amend or supplement the Prospectus in order that the Prospectus will not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in the light of the circumstances existing at the time it is delivered to a purchaser, or if it shall be necessary, in the opinion of such counsel, at any such time to amend the Registration Statement or amend or supplement the Prospectus in order to comply with the requirements of the 1933 Act or the 1933 Act Regulations, it will promptly prepare and file with the Commission, subject to Section 3(b), such amendment or supplement as may be necessary to correct such statement or omission or to make the Registration Statement or the Prospectus comply with such requirements, and it will furnish to the Underwriters such number of copies of such amendment or supplement as the Underwriters may reasonably request.

(f) Blue Sky Qualifications. It will use its best efforts, in cooperation with the Underwriters, to qualify the Notes for offering and sale under the applicable securities laws of such states and other jurisdictions (domestic or foreign) as the Representative may designate and to maintain such qualifications in effect for a period of not less than one year from the effective date of the Registration Statement; provided, however, that it shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject. In each jurisdiction in which the Notes have been so qualified, it will file such statements and reports as may be required by the laws of such jurisdiction to continue such qualification in effect for a period of not less than one year from the effective date of the Registration Statement.

(g) Rule 158. It will timely file such reports pursuant to the 1934 Act as are necessary in order to make generally available to its securityholders as soon as practicable an earnings statement for the purposes of, and to provide the benefits contemplated by, the last paragraph of Section 11(a) of the 1933 Act.

(h) Use of Proceeds. It will cause the net proceeds received by it from the sale of the Notes to be used in the manner specified in the Prospectus under "Use of Proceeds".

(i) Restriction on Sale of Notes. During the period of thirty (30) days following the Closing Time, it will not, without the prior written consent of the Representative on behalf of the Underwriters, sell or contract to sell or announce the offering of, any securities

of the Company with characteristics and terms similar to those of the Notes; provided, however, that the Company may redeem, repurchase or remarket the Remarketed Notes due 2038 issued on July 31, 1998 in the original principal amount of $50,000,000.

(j) Reporting Requirements. During the period when the Prospectus is required to be delivered under the 1933 Act or the 1934 Act, the Company will file or cause to be filed all documents required to be filed with the Commission pursuant to the 1934 Act within the time periods required by the 1934 Act and the 1934 Act Regulations.

SECTION 4. Payment of Expenses.

(a) Expenses. The Company will pay or cause to be paid all expenses incident to the performance of its obligations under this Agreement, including (i) the preparation, printing and filing of the Registration Statement (including financial statements and exhibits and the Forms T-1) as originally filed and of each amendment thereto, (ii) the printing and reproduction of this Agreement, the Indenture and such other documents as may be required in connection with the offering, purchase, sale, issuance or delivery of the Notes, (iii) the preparation, issuance and delivery of the Notes to the Underwriters, including any transfer taxes and any stamp or other duties payable upon the sale, issuance or delivery of the Notes to the Underwriters, (iv) the fees and disbursements of the Company's counsel, accountants and other advisors, (v) the qualification of the Notes under securities laws in accordance with the provisions of Section 3(f) hereof, including filing fees and the reasonable fees and disbursements of counsel for the Underwriters in connection therewith (which fees and disbursements of counsel for the Underwriters shall not exceed $5,000), (vi) the printing and delivery to the Underwriters of copies of the Prospectus and any amendments or supplements thereto, (vii) the fees and expenses of the Indenture Trustee, including the fees and disbursements of counsel for the trustees in connection with the Indenture and the Notes, (viii) any fees payable in connection with the rating of the Notes, and (ix) the fees and expenses incident to the performance of the Company's other obligations hereunder.

(b) Termination of Agreement. If this Agreement is terminated by the Representative in accordance with the provisions of Section 5 or Section 9(a)(i) hereof, the Company shall reimburse the Underwriters for all of their out-of-pocket expenses, including the reasonable fees and disbursements of counsel for the Underwriters.

SECTION 5. Conditions of Underwriters' Obligations. The obligations of the several Underwriters hereunder are subject to the accuracy of the representations and warranties of the Company contained in Section 1(a) hereof, to the performance by the Company of its covenants and other obligations hereunder, and to the following further conditions:

(a) Effectiveness of Registration Statement. The Prospectus shall have been filed with the Commission pursuant to Rule 424(b) within the applicable time period prescribed for such filing by the 1933 Act Regulations and in accordance with Section 3(a) hereof; and no stop order suspending the effectiveness of the Registration Statement or any amendment thereto

shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission.

(b) Opinions of Counsel for the Company.

(i) At Closing Time, the Underwriters shall have received the favorable opinion, dated as of Closing Time, of Palmer & Dodge LLP, outside counsel for the Company, satisfactory in form and substance to the Representative and to the effect that:

(1) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Florida and has the corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Prospectus and to enter into and perform its obligations under the Agreement.

(2) The Agreement has been duly authorized, executed and delivered by the Company.

(3) The Transaction Documents have each been duly authorized, executed and delivered by the Company; the Notes, when validly authenticated and delivered by the Indenture Trustee, will be validly issued; the Transaction Documents, when validly authenticated, executed and delivered by the Indenture Trustee, will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing; and the Notes are entitled to the benefits of the Indenture.

(4) The Registration Statement has become effective under the 1933 Act; any required filing of the Prospectus pursuant to Rule 424(b) has been made in the manner and within the time period required by Rule 424(b); and, to the best of such counsel's knowledge, no stop order suspending the effectiveness of the Registration Statement has been issued under the 1933 Act and no proceedings for that purpose have been instituted or are pending or threatened by the Commission.

(5) The Registration Statement, the Prospectus, excluding the documents incorporated by reference therein, and each amendment or supplement to the Registration Statement and Prospectus, excluding the documents incorporated by reference therein, as of their respective effective or issue dates (other than the financial statements and supporting schedules included therein or omitted therefrom and the Statements of Eligibility on Form T-1 of the applicable trustees), comply as to form in all material respects with the requirements of the 1933 Act and the 1933 Act Regulations and the 1939 Act.

(6) The documents incorporated by reference in the Prospectus (other than the financial statements and supporting schedules included therein or omitted therefrom) when they became effective or were filed with the Commission, as the case may be,

complied as to form at the time of such effectiveness or filing in all material respects with the requirements of the 1934 Act and the 1934 Act Regulations.

(7) No filing, registration, or qualification with, or authorization, approval, consent, license, order, or decree of, any court or governmental authority or agency (other than under the 1933 Act and the 1933 Act Regulations and the 1939 Act, which have been obtained or made, or as may be required under the securities or blue sky laws of the various states, as to which such counsel expresses no opinion) is necessary or required in connection with the due authorization, execution and delivery of this Agreement or the Indenture or for the offering, issuance, sale or delivery of the Notes, except such as have been already obtained or made.

(8) The execution, delivery and performance by the Company of this Agreement and the Transaction Documents and the consummation of the transactions contemplated in this Agreement and in the Registration Statement (including the issuance and sale of the Notes and the use of the proceeds from the sale of the Notes as described in the Prospectus under the caption "Use Of Proceeds") do not and will not, whether with or without the giving of notice or lapse of time or both, constitute a breach of, or default or similar event under or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company pursuant to any written contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or any other agreement or instrument that is listed as an exhibit to the Company's Form 10-K for the year ended December 31, 2000 or any of the Company's Forms 10-Q and 8-K filed subsequent thereto, nor will such action result in any violation of the provisions of (i) the charter or by-laws of the Company, (ii) any applicable law, statute, rule, or regulation, or (iii) any judgment, order, writ or decree known to such counsel, of any government, government instrumentality or court, domestic or foreign, having jurisdiction over the Company or any of its properties, assets or operations.

(9) The Company is not and, after giving effect to the transactions contemplated by this Agreement, will not be an "investment company" or an entity "controlled" by an "investment company," as such terms are defined in the 1940 Act.

(10) The Indenture has been duly qualified under the 1939 Act.

(11) The statements made in the Prospectus under the captions "Description of the Notes" and "Description of Debt Securities," insofar as such statements purport to constitute a summary of the terms of any of the Transaction Documents, constitute accurate summaries thereof in all material respects.

In addition to the matters set forth above, such opinion shall also include a statement to the effect that nothing has come to the attention of such counsel which causes it to believe that the Registration Statement, as of its effective date, or any amendment thereto, as of its effective date, contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein not misleading or that the Prospectus, as of its issue date or as of the Closing Time, or any amendment or supplement

thereto, as of its issue date or as of the Closing Time, contained any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; it being understood that such counsel need express no opinion as to the Forms T-1 or the financial statements, including the notes thereto, or other financial data contained in the Registration Statement or the Prospectus. With respect to such statement, such counsel may state that its belief is based upon procedures set forth therein satisfactory to the Underwriters but is without independent check and verification.

In rendering such opinion, such counsel may rely as to matters of fact (but not as to legal conclusions), to the extent they deem proper, on certificates of responsible officers of the Company, representatives of the applicable trustees and public officials. In giving such opinion such counsel may rely, as to all matters governed by the laws of jurisdictions other than the State of Florida and the federal law of the United States, upon the opinions of counsel satisfactory to the Representative. In rendering its opinion, such counsel may rely as to matters of Florida law upon the opinion of Sheila M. McDevitt, Esq.

(ii) At Closing Time, the Underwriter shall have received the favorable opinion, dated as of Closing Time, of Sheila M. McDevitt, Esq., Vice President-General Counsel of the Company, satisfactory in form and substance to the Representative and to the effect that:

(1) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Florida and has the corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Prospectus and to enter into and perform its obligations under this Agreement.

(2) The Agreement has been duly authorized, executed and delivered by the Company.

(3) The Transaction Documents have each been duly authorized, executed and delivered by the Company; the Notes, when validly authenticated, and delivered by the Indenture Trustee, will be validly issued; the Transaction Documents, when validly authenticated, executed and delivered by the Indenture Trustee, constitute valid and legally binding obligations of the Company, enforceable against the Company in accordance with their respective terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing.

(4) All descriptions in the Registration Statement of written contracts and other documents to which the Company is a party are accurate in all material respects; to the best of such counsel's knowledge, there are no franchises, contracts, indentures, mortgages, loan agreements, notes, leases or other instruments required to be described or referred to in the Registration Statement or to be filed as exhibits thereto other than those

described or referred to therein or filed or incorporated by reference as exhibits thereto, and the descriptions thereof or references thereto are correct in all material respects.

(5) No filing, registration, or qualification with, or authorization, approval, consent, license, order, or decree of, any court or governmental authority or agency, including the Florida Public Service Commission (other than under the 1933 Act and the 1933 Act Regulations and the 1939 Act, which have been obtained or made, or as may be required under the securities or blue sky laws of the various states, as to which such counsel expresses no opinion) is necessary or required in connection with the due authorization, execution and delivery of the Agreement or the Indenture or for the offering, issuance, sale or delivery of the Notes, except such as have been already obtained or made.

(6) The execution, delivery and performance by the Company of this Agreement and the Transaction Documents and the consummation of the transactions contemplated in this Agreement and in the Registration Statement (including the issuance and sale of the Notes and the use of the proceeds from the sale of the Notes as described in the Prospectus under the caption "Use Of Proceeds") do not and will not, whether with or without the giving of notice or lapse of time or both, constitute a breach of, or default or similar event under or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company pursuant to any written contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or any other agreement or instrument that is listed as an exhibit to the Company's Form 10-K for the year ended December 31, 2000 or any of the Company's Forms 10-Q and 8-K filed subsequent thereto, nor will such action result in any violation of the provisions of (i) the charter or by-laws of the Company, (ii) any applicable law, statute, rule, or regulation, or (iii) any judgment, order, writ or decree known to such counsel, of any government, government instrumentality or court, domestic or foreign, having jurisdiction over the Company or any of its properties, assets or operations.

In addition to the matters set forth above, such opinion shall also include a statement to the effect that nothing has come to the attention of such counsel which causes her to believe that the Registration Statement, as of its effective date, or any amendment thereto, as of its effective date, contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein not misleading or that the Prospectus, as of its issue date or as of the Closing Time, or any amendment or supplement thereto, as of its issue date or as of the Closing Time, contained any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; it being understood that such counsel need express no opinion as to the Forms T-1 or the financial statements, including the notes thereto, or other financial data contained in the Registration Statement or the Prospectus. With respect to such statement, such counsel may state that her belief is based upon procedures set forth therein satisfactory to the Representative but is without independent check and verification.

In rendering such opinion, such counsel may rely as to matters of fact (but not as to legal conclusions), to the extent she deems proper, on certificates of responsible officers of the Company, representatives of the applicable trustees and public officials.

(c) Opinion of Counsel for the Underwriters. At Closing Time, the Representative shall have received the favorable opinion, dated as of Closing Time, of Ropes & Gray, the counsel for the Underwriters, together with signed or reproduced copies of such letter for each of the other Underwriters and addressed to the Underwriters with respect to such matters as the Representative may reasonably request. In giving such opinion such counsel may rely, as to all matters governed by the laws of jurisdictions other than the federal law of the United States and the laws of the State of New York, upon the opinions of counsel satisfactory to the Representative. Such counsel may also state that, insofar as such opinion involves factual matters, they have relied, to the extent they deem proper, upon certificates of officers of the Company, certificates of representatives of the applicable trustees and certificates of public officials.

(d) Officers' Certificate. At Closing Time, there shall not have been, since the date hereof or since the respective dates as of which information is given in the Prospectus, any material adverse change in the condition, financial or otherwise, or in the results of operations or business affairs of the Company, whether or not arising in the ordinary course of business, and the Representative shall have received a certificate of the President or a Vice President of the Company and of the chief financial or chief accounting officer of the Company, dated as of Closing Time, to the effect that (i) there has been no such material adverse change, (ii) the representations and warranties in Section 1(a) hereof are true and correct with the same force and effect as though expressly made at and as of Closing Time, (iii) the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied at or prior to Closing Time, and (iv) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or are pending or are, to the knowledge of such officers, contemplated by the Commission.

(e) Accountant's Comfort Letter. At the time of the execution of this Agreement, the Representative shall have received from the Company's independent public accountants a letter dated such date, in form and substance satisfactory to the Representative, together with signed or reproduced copies of such letter for each of the other Underwriters and addressed to the Underwriters containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in the Registration Statement and the Prospectus.

(f) Bring-down Comfort Letter. At Closing Time, the Representative shall have received from the Company's independent public accountants a letter, dated as of Closing Time, together with signed or reproduced copies of such letter for each of the other Underwriters and addressed to the Underwriters, to the effect that they reaffirm the statements made in the letter furnished pursuant to subsection (e) of this Section, except that the specified date referred to shall be a date not more than three business days prior to Closing Time.

(g) Maintenance of Rating. At Closing Time, the Notes shall be rated by each of Moody's Investors Service, Inc., Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc. and Fitch, Inc. as set forth in Schedule B hereto. Since the date of this Agreement, there shall not have occurred a downgrading in the rating assigned to the Notes or any of the Company's debt securities by any "nationally recognized statistical rating agency," as that term is defined by the Commission for purposes of Rule 436(g)(2) under the 1933 Act, and no such organization shall have publicly announced that it has under surveillance or review its rating of the Notes or any of the Company's other debt securities.

(h) Additional Documents. At Closing Time, counsel for the Underwriters shall have been furnished with such documents and opinions as they may require for the purpose of enabling them to pass upon the issuance and sale of the Notes as herein contemplated, or in order to evidence the accuracy of any of the representations or warranties, or the fulfillment of any of the conditions, herein contained; and all proceedings taken by the Company in connection with the issuance and sale of the Notes as herein contemplated shall be satisfactory in form and substance to the Representative and counsel for the Underwriters.

(i) Termination of Agreement. If any condition specified in this Section shall not have been fulfilled when and as required to be fulfilled, this Agreement may be terminated by the Representative by notice to the Company at any time at or prior to Closing Time and such termination shall be without liability of any party to any other party except as provided in Section 4 and except that Sections 1, 6, 7 and 8 shall survive any such termination and remain in full force and effect.

SECTION 6. Indemnification.

(a) Indemnification of Underwriters. The Company agrees to indemnify and hold harmless each Underwriter and each person, if any, who controls any Underwriter within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto), or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading or arising out of any untrue statement or alleged untrue statement of a material fact included in the Prospectus (or any amendment or supplement thereto), or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever based upon any such untrue statement or omission; provided that (subject to Section 6(d) below) any such settlement is effected with the written

consent of the Company (which consent shall not be unreasonably withheld, delayed or conditioned); and

(iii) against any and all expense whatsoever, as incurred (including the fees and disbursements of counsel chosen by the Representative), reasonably incurred in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, to the extent that any such expense is not paid under (i) or (ii) above;

provided, however, that (i) this indemnity agreement shall not apply to any loss, liability, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information furnished to the Company by any Underwriter through the Representative expressly for use in the Registration Statement (or any amendment thereto) or the Prospectus (or any amendment or supplement thereto) and (ii) such indemnity with respect to the Prospectus shall not inure to the benefit of any Underwriter (or any person controlling such Underwriter) from whom the person asserting any such loss, liability, claim, damage or expense purchased the Notes which are the subject thereof if such Underwriter did not send or deliver to such person a copy of the Prospectus, as amended or supplemented, excluding documents incorporated therein by reference at or prior to the confirmation of the sale of the Notes to such person in any case where such delivery is required by the 1933 Act and the untrue statement or omission of a material fact contained in the Prospectus was corrected in the Prospectus, as amended or supplemented. This indemnity agreement will be in addition to any liability which the Company may otherwise have.

(b) Indemnification of the Company, Directors and Officers. Each Underwriter, severally and not jointly, agrees to indemnify and hold harmless the Company, its directors, each of its officers who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in subsection (a) of this Section, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto) or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information furnished to the Company by or on behalf of such Underwriter through the Representative specifically for use in the Registration Statement (or any amendment thereto) or the Prospectus (or any amendment or supplement thereto).

(c) Actions against Parties, Notification. Promptly after receipt by an indemnified party under this Section 6 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section 6, notify the indemnifying party in writing of the commencement thereof, but the omission so to notify the indemnifying party will not relieve it from any liability which it may have to any indemnified party otherwise than under this Section 6. In case any such action is brought against any indemnified party, and it notifies the indemnifying party of the

commencement thereof, the indemnifying party will be entitled to participate therein, and to the extent that it may elect by written notice delivered to the indemnified party promptly after receiving the aforesaid notice from such indemnified party, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party; provided, however, that if the defendants (including impleaded parties) in any such action include both the indemnified party and the indemnifying party and the indemnified party shall have reasonably concluded that there may be legal defenses available to it or other indemnified parties which are different from or additional to those available to the indemnifying party, the indemnified party or parties shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on behalf of such indemnified party or parties. Upon receipt of notice from the indemnifying party to such indemnified party of its election so to assume the defense of such action and approval by the indemnified party of counsel, the indemnifying party will not be liable to such indemnified party under this Section 6 for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof (other than the reasonable costs of investigation) unless (i) the indemnified party shall have employed separate counsel in connection with the assertion of legal defenses in accordance with the proviso to the next preceding sentence (it being understood, however, that the indemnifying party shall not be liable for the expenses of more than one separate counsel (in addition to local counsel) representing the indemnified parties), (ii) the indemnifying party shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of commencement of the action or (iii) the indemnifying party has authorized the employment of counsel for the indemnified party at the expense of the indemnifying party.

(d) Settlement without Consent if Failure to Reimburse. If at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 6(a)(ii) effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement.

SECTION 7. Contribution. If the indemnification provided for in Section 6 hereof is for any reason unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, liabilities, claims, damages or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount of such losses, liabilities, claims, damages and expenses incurred by such indemnified party, as incurred, (i) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other hand from the offering of the Notes pursuant to this Agreement or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company on the one hand and of the Underwriters on the other hand in connection with the statements or

omissions which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations.

The relative benefits received by the Company on the one hand and the Underwriters on the other hand in connection with the offering of the Notes pursuant to this Agreement shall be deemed to be in the same respective proportions as the total net proceeds from the offering of the Notes pursuant to this Agreement (before deducting expenses) received by the Company and the total underwriting discount received by the Underwriters, in each case as set forth on the cover of the Prospectus, bear to the aggregate public offering price of the Notes as set forth on such cover.

The relative fault of the Company on the one hand and the Underwriters on the other hand shall be determined by reference to, among other things, whether any such untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company or by an Underwriter in writing through the Representative and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 7 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section 7. The aggregate amount of losses, liabilities, claims, damages and expenses incurred by an indemnified party and referred to above in this Section 7 shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue or alleged untrue statement or omission or alleged omission.

Notwithstanding the provisions of this Section 7, no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Notes underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of any such untrue or alleged untrue statement or omission or alleged omission.

No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

For purposes of this Section 7, each person, if any, who controls an Underwriter within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as such Underwriter, and each director of the Company, each officer of the Company who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as the Company. The Underwriters' respective obligations

to contribute pursuant to this Section 7 are several in proportion to the principal amount of Notes set forth opposite their respective names in Schedule A hereto and not joint.

SECTION 8. Survival.

The respective indemnities, rights of contribution, representations, warranties and agreements of the Company and the Underwriters contained in this Agreement or made by or on behalf of the Company or the Underwriters pursuant to this Agreement or any certificate delivered pursuant hereto shall survive the delivery of and payment for the Notes to the Underwriters and shall remain in full force and effect, regardless of any investigation made by or on behalf of any of them or any of their respective affiliates, officers, directors, employees, representatives, agents or controlling persons.

SECTION 9. Termination of Agreement.

(a) Termination; General. The Representative may terminate this Agreement, by notice to the Company, at any time at or prior to Closing Time (i) if there has been, since the time of execution of this Agreement or since the respective dates as of which information is given in the Prospectus, any material adverse change in the condition, financial or otherwise, or in the results of operations, business affairs or business prospects of the Company, whether or not arising in the ordinary course of business, or (ii) if there has occurred any material adverse change in the financial markets in the United States or the international financial markets, any outbreak of hostilities or escalation thereof or other calamity or crisis the effect of which is such as to make it, in the judgment of the Representative, impracticable to market the Notes or to enforce contracts for the sale of the Notes, or (iii) if trading in any securities of the Company has been suspended or materially limited by the Commission or the New York Stock Exchange, or if trading generally on the American Stock Exchange or the New York Stock Exchange or in the Nasdaq National Market has been suspended or materially limited (other than to provide for an orderly market), or minimum or maximum prices for trading have been fixed, or maximum ranges for prices have been required, by any of said exchanges or by such system or by order of the Commission, the National Association of Securities Dealers, Inc. or any other governmental authority, or (iv) if a banking moratorium has been declared by either Federal or New York authorities.

(b) Liabilities. If this Agreement is terminated pursuant to this Section, such termination shall be without liability of any party to any other party except as provided in Section 4 hereof, and provided, further that Sections 1, 6, 7 and 8 shall survive such termination and remain in full force and effect.

SECTION 10. Default by One or More of the Underwriters. If one or more of the Underwriters shall fail at Closing Time to purchase the Notes which it or they are obligated to purchase under this Agreement (the "Defaulted Securities"), the Representative shall have the right, within 24 hours thereafter, to make arrangements for one or more of the non-defaulting

Underwriters, or any other underwriters, to purchase all, but not less than all, of the Defaulted Securities in such principal amounts as may be agreed upon and upon the terms herein set forth; if, however, the Representative shall not have completed such arrangements within such 24-hour period, then:

(a) if the aggregate principal amount of the Defaulted Securities does not exceed 10% of the aggregate principal amount of the Notes to be purchased on such date, each of the non-defaulting Underwriters shall be obligated, severally and not jointly, to purchase the full amount thereof in the proportions that their respective underwriting obligations hereunder bear to the underwriting obligations of all non-defaulting Underwriters, or

(b) if the aggregate principal amount of the Defaulted Securities exceeds 10% of the aggregate principal amount of the Notes to be purchased on such date, this Agreement shall terminate without liability on the part of any non-defaulting Underwriter.

No action taken pursuant to this Section shall relieve any underwriter from liability in respect of its default.

In the event of any such default which does not result in a termination of this Agreement either (i) the Representative or (ii) the Company shall have the right to postpone Closing Time for a period not exceeding seven days in order to effect any required changes in the Registration Statement or Prospectus or in any other documents or arrangements. As used herein, the term "Underwriter" includes any person substituted for an Underwriter under this Section 10.

SECTION 11. Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly given if mailed or transmitted by any standard form of telecommunication. Notices to the Underwriters shall be directed to the Representative at the addresses set forth on Schedule B; notices to the Company shall be directed to it at 702 North Franklin Street, Tampa, Florida 33602, Facsimile: (813) 228-1328, Attention: Secretary.

SECTION 12. Parties. This Agreement shall inure to the benefit of and be binding upon the Underwriters, the Company and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the Underwriters, the Company and their respective successors and the controlling persons and officers and directors referred to in Sections 6 and 7 and their heirs and legal Representative, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the Underwriters, the Company and their respective successors, and said controlling persons and officers, directors and their heirs and legal Representative, and for the benefit of no other person, firm or corporation. No purchaser of Notes from any Underwriter shall be deemed to be a successor by reason merely of such purchase.

SECTION 13. Underwriters' Information. The parties hereto acknowledge and agree that the only information provided by any Underwriter to the Company through the Representative

specifically for use in the Registration Statement or Prospectus shall be the statements contained in the second paragraph, the third sentence of the third paragraph and the fifth paragraph under the heading "Underwriting" in the Prospectus.

SECTION 14. **GOVERNING LAW AND TIME.** THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. EXCEPT AS OTHERWISE SET FORTH HEREIN, SPECIFIED TIMES OF DAY REFER TO NEW YORK CITY TIME.

SECTION 15. **Effect of Headings.** The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 16. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

If the foregoing is in accordance with your understanding of our agreement, please sign and return to us the enclosed duplicate hereof, whereupon this letter and your acceptance shall represent a binding agreement between the Company and the Underwriter.

Very truly yours,

TAMPA ELECTRIC COMPANY

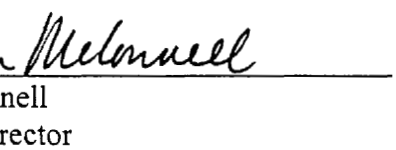
By: _____

Name: Gordon L. Gillette

Title: Senior Vice President - Finance and Chief Financial Officer

The foregoing Agreement is hereby confirmed and accepted as of the date first written above.

BANC OF AMERICA SECURITIES LLC

By: 

Lynn McConnell
Managing Director

For themselves and the other Underwriters named in Schedule A to the foregoing Agreement.

SCHEDULE A

Underwriter	Principal Amount
Banc of America Securities LLC	$150,000,000
BNP Paribas Securities Corp.	25,000,000
Scotia Capital (USA) Inc.	25,000,000
TD Securities (USA) Inc.	25,000,000
Westdeutsche Landesbank Girozentrale.	25,000,000
Total	$250,000,000

SCHEDULE B

Title: 6.875% Notes due 2012

Aggregate Principal Amount: $250,000,000

Interest Payment Dates: June 15 and December 15 of each year, beginning December 15, 2001.

Maturity: June 15, 2012

Optional Redemption: The Notes will be redeemable, at the option of the Company, in whole or in part from time to time, at the redemption prices described in the Prospectus under the heading "Description of the Notes—Optional Redemption". The Notes may not be redeemed at any time at the option of the holders.

Rating: Moody's Investors Service, Inc.: A1
Standard & Poor's Ratings Services: A
Fitch, Inc.: AA-

Purchase Price: 98.928%

Closing: 9:00 A.M. on June 25, 2001, at the offices of Palmer & Dodge LLP, in Boston, Massachusetts, in Federal (same day) funds.

Settlement and Trading: Book-Entry Only via the Depository Trust Company ("DTC"). The Notes will trade in DTC's Same Day Funds Settlement System.

Notices: Notices to be given to the Underwriters should be directed to the Representative as follows:

Banc of America Securities LLC
Bank of America Corporate Center
100 North Tryon Street
Charlotte, NC 28255
Attn: Lynn T. McConnell

with a copy of any notice pursuant to Section 6(c) to:

Bank of America Securities LLC
100 North Tryon Street
Charlotte, NC 28255
Attn: Legal Department

ROPES & GRAY
ONE INTERNATIONAL PLACE
BOSTON, MASSACHUSETTS 02110-2624
(617) 951-7000
FAX: (617) 951-7050

30 KENNEDY PLAZA
PROVIDENCE, RI 02903-2328
(401) 455-4400
FAX: (401) 455-4401

ONE FRANKLIN SQUARE
1301 K STREET, N. W.
SUITE 800 EAST
WASHINGTON, DC 20005-3333
(202) 626-3900
FAX: (202) 626-3961

June 25, 2001

Banc of America Securities LLC
BNP Paribas Securities Corp.
Scotia Capital (USA) Inc.
TD Securities (USA) Inc.
Westdeutsche Landesbank Girozentrale
c/o Banc of America Securities LLC
Bank of America Corporate Center
100 North Tryon Street
Charlotte, North Carolina 28255

Ladies and Gentlemen:

We have acted as your counsel in connection with the Underwriting Agreement dated June 20, 2001 (the "Underwriting Agreement") among Tampa Electric Company, a Florida corporation (the "Company"), and you, pursuant to which you have severally agreed to purchase from the Company $250,000,000 aggregate principal amount of its 6.875% Notes due 2012 (the "Notes"). The Notes will be issued pursuant to an indenture dated as of July 1, 1998 (the "Base Indenture") between the Company and The Bank of New York, as trustee (the "Trustee"), as amended and supplemented by the third supplemental indenture dated as of June 15, 2001 (the Base Indenture, as so amended and supplemented, being referred to herein as the "Indenture"). This opinion is being furnished to you pursuant to the Underwriting Agreement. Terms defined in the Underwriting Agreement and not otherwise defined herein are used herein as so defined.

We have attended the closing of the sale of the Notes held today. We have examined the Registration Statement and the Prospectus. We have also examined originals or copies, certified or otherwise identified to our satisfaction, of such documents and records and have made such investigation of fact and such examination of law as we have deemed appropriate in order to enable us to render the opinions set forth herein. In conducting such investigation, we have relied, without independent verification, upon certificates of officers of the Company, public officials and other appropriate persons.

In rendering the opinions set forth below, we have relied without independent investigation upon the opinions to you dated the date hereof of Sheila M. McDevitt, Esq., Vice President and General Counsel of the Company, and Palmer & Dodge LLP, counsel to the Company, with respect

to certain matters governed by the law of the State of Florida, including the due incorporation and good standing of the Company and the due authorization, execution and delivery by the Company of the Indenture and the Notes. We have examined such opinions and they are satisfactory to us in form and substance.

We express no opinion as to the laws of any jurisdiction other than those of the federal laws of the United States of America and the State of New York.

Based upon the foregoing and subject to the additional qualifications set forth below, we are of the opinion that:

1. Subject to the qualifications set forth in the unnumbered paragraphs below, the Indenture constitutes a legal, valid and binding obligation of the Company and is enforceable against the Company in accordance with its terms.

2. Subject to the qualifications set forth in the unnumbered paragraphs below and assuming the due authentication and delivery of the Notes by the Trustee in accordance with the terms of the Indenture and the payment therefor in accordance with the terms of the Underwriting Agreement, the Notes constitute legal, valid and binding obligations of the Company and are enforceable against the Company in accordance with their terms.

Our opinions that the Indenture and the Notes constitute the legal, valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms, is subject to (a) bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting the rights and remedies of creditors and (b) general principles of equity, regardless of whether enforcement is sought in proceedings in equity or at law.

The opinions expressed herein are also subject to the qualification that the enforceability of provisions in the Indenture and Notes providing for indemnification or contribution may be limited by public policy considerations. In addition, we express no opinion as to (a) the extent to which broadly worded waivers may be enforced, (b) the enforceability of any provision of the Notes or Indenture that provides for interest on interest or automatic compounding of interest, (c) the enforceability of any provision that states that an oral modification of an agreement will not be effective, or (d) the extent to which provisions providing for conclusive presumptions or determinations, submission to jurisdiction, waiver of or consent to service of process and venue or waiver of offset or defenses will be enforced. We express no opinion with respect to the applicability of Section 548 of the federal Bankruptcy Code or any comparable provision of state law.

In the course of the preparation by the Company of the Registration Statement and the Prospectus, we have participated in discussions with your representatives and those of the Company and its independent accountants in which the business and affairs of the Company and the contents of the Registration Statement and the Prospectus were discussed. On the basis of the

information that we have gained in the course of our representation of the Underwriters in connection with the Company's preparation of the Registration Statement and the Prospectus and our participation in the discussions referred to above, we believe that the Registration Statement, as of its effective date, and the Prospectus, as of the date thereof, complied as to form in all material respects with the requirements of the Securities Act of 1933, as amended, and the published rules and regulations of the Securities and Exchange Commission thereunder. Further, based upon such participation and information, nothing that has come to our attention has caused us to believe that as of its effective date the Registration Statement contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein not misleading, or that the Prospectus as of the date thereof contained, or as of the date hereof contains, any untrue statement of a material fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading. We express no belief, however, as to the financial statements, including the notes and schedules thereto, or any other information of a financial or accounting nature set forth or referred to in the Registration Statement or the Prospectus. In addition, we express no belief as to the Forms T-1 filed with the Registration Statement or any of the information set forth or referred to therein.

The limitations inherent in the independent verification of factual matters and the character of the determinations involved in our review are such that we do not assume any responsibility for the accuracy, completeness or fairness of the statements made or the information contained in the Registration Statement or Prospectus.

This opinion is furnished by us to you and is solely for your benefit, except that Palmer & Dodge LLP may rely upon our opinions in the numbered paragraphs above in rendering their opinion to the Trustee at the closing.

Very truly yours,

Ropes & Gray

Ropes & Gray

PALMER & DODGE LLP

One Beacon Street, Boston, MA 02108-3190

TELEPHONE: (617) 573-0100 FACSIMILE: (617) 227-4420

June 25, 2001

The Bank of New York
101 Barclay Street, 21st Floor West
New York, NY 10286

Re: 6.875 % Notes Due 2012 of Tampa Electric Company

Ladies and Gentlemen:

We are furnishing this opinion to you pursuant to Sections 102, 303(d) and 903 of the Indenture (the "Indenture") dated as of July 1, 1998, between Tampa Electric Company (the "Company") and you, as Trustee, in connection with the request by the Company for the execution and delivery by you of a Third Supplemental Indenture to be dated as of June 15, 2001 (the "Third Supplemental"), amending and supplementing the Indenture and the authentication and delivery by you of $250,000,000 aggregate principal amount of 6.875 % Notes due 2012 (the "Notes") to be issued thereunder. Capitalized terms not otherwise defined in this opinion have the meanings assigned to them in the Indenture as amended and supplemented by the Third Supplemental.

For purposes of this opinion, we have read the provisions, including the covenants, conditions and definitions, of the Indenture relating to the authentication and delivery of Notes thereunder, the Third Supplemental setting forth the information required by Section 301 of the Indenture and establishing the form of the Notes, the Company Order dated the date hereof relating to your authentication and delivery of the Notes (the "Company Order"), and resolutions adopted by the Board of Directors on January 19, 2001, and by the Finance Committee of the Board of Directors of the Company on June 15, 2001, authorizing the issuance of the Notes (collectively, the "Board Resolutions"). We have also examined the documents and other things being delivered to you, as Trustee and have made such other investigation or examination as is necessary, in our opinion, to enable us to render this opinion.

Except with respect to our opinion as to the enforceability of the Indenture, the Third Supplemental and the Notes, the opinion rendered herein is limited to the laws of the Commonwealth of Massachusetts and the federal laws of the United States. The Indenture, the Third Supplemental and the Notes are stated to be governed by the laws of the State of New York and, therefore, in rendering our opinion as to the enforceability of the Indenture, the Third Supplemental and the Notes, we have relied on the opinion of Ropes & Gray with respect to matters of New York law.

Based on the foregoing, we are of opinion that:

1. The provisions of the Third Supplemental conform to the requirements of the Indenture, and the execution of such Third Supplemental by you and the Company is authorized and permitted under the Indenture.

2. The terms and provisions of the Notes have been established in conformity with the provisions of the Indenture, as amended and supplemented by the Third Supplemental, and the Board Resolutions.

3. When duly issued by the Company and duly authenticated and delivered by you in accordance with the Company Order against payment of the agreed consideration therefor, the Notes will constitute valid and legally binding obligations of the Company, enforceable in accordance with their terms, subject to the effects of bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar laws of general applicability relating to or affecting the enforcement of creditors' rights and to general equity principles.

4. All covenants and conditions of the Indenture applicable or precedent to the execution and delivery of the Third Supplemental and the authentication and delivery of the Notes, each by the Trustee, have been complied with.

In giving the foregoing opinion, we assume that at the time of the issuance, sale and delivery of each Note the authorization of such Note will not have been modified or rescinded and there will not have occurred any change in law affecting the validity, legally binding character or enforceability of such Note and that neither the issuance, sale and delivery of any Note, nor any of the terms of such Note, nor compliance by the Company with such terms, will violate any applicable law, any agreement or instrument then binding upon the Company or any restriction imposed by any court or governmental body having jurisdiction over the Company, and we express no opinion as to compliance of the Notes with any applicable laws limiting the interest rates thereof.

The opinions expressed herein are also subject to the qualification that the enforceability of provisions in the Indenture, the Third Supplemental and Notes providing for indemnification or contribution may be limited by public policy considerations. In addition, we express no opinion as to (a) the extent to which broadly worded waivers may be enforced, (b) the enforceability of any provision of the Notes, Indenture or Third Supplemental that provides for interest on interest or automatic compounding of interest, (c) the enforceability of any provision that states that an oral modification of an agreement will not be effective, or (d) the extent to which provisions providing for conclusive presumptions or determinations, submission to jurisdiction, waiver of or consent to service of process and venue or waiver of offset or defenses will be enforced.

This opinion is furnished only to you as Trustee in connection with the transaction described above and may not be relied on without our prior written consent for any other purpose or by anyone else.

Very truly yours,

Palmer & Dodge LLP

PALMER & DODGE LLP

PALMER & DODGE LLP
One Beacon Street, Boston, MA 02108-3190
TELEPHONE: (617) 573-0100 FACSIMILE: (617) 227-4420

June 25, 2001

Banc of America Securities LLC
BNP Paribas Securities Corp.
Scotia Capital (USA) Inc.
TD Securities (USA) Inc.
Westdeutsche Landesbank Girozentrale
c/o Banc of America Securities LLC
Bank of America Corporate Center
100 North Tryon Street
Charlotte, NC 28255

Re: 6.875 % Notes Due 2012 of Tampa Electric Company

Ladies and Gentlemen:

We are furnishing this opinion to you pursuant to Section 5(b)(i) of the Underwriting Agreement (the "Underwriting Agreement") dated June 20, 2001, among Tampa Electric Company (the "Company") and you, as underwriters (the "Underwriters"), relating to the sale by the Company of $250,000,000 aggregate principal amount of its 6.875 % Notes due 2012 (the "Notes"). Capitalized terms not otherwise defined in this opinion have the meanings assigned to them in the Underwriting Agreement.

We have examined the Notes and the Indenture (collectively, the "Transaction Documents"). We have also examined the Registration Statement, the Basic Prospectus and the Prospectus Supplement and such other documents and certificates as we consider necessary to render this opinion. As to various questions of fact material to our opinion, we have relied upon the representations made in or pursuant to the Underwriting Agreement and upon certificates of officers of the Company. We are also relying upon the certificates of public officials. We have assumed the genuineness of all signatures and the authenticity of all documents submitted to us as originals and the conformity to original documents of all documents submitted to us as copies.

In giving this opinion, we have relied as to matters of Florida law on the opinion of Sheila M. McDevitt, General Counsel to the Company, being delivered to you today. We have examined such opinion, and in our opinion both you and we are justified in relying thereon.

The opinion rendered herein is limited to the laws of the Commonwealth of Massachusetts and the federal laws of the United States and, insofar as we have relied upon the foregoing opinion of Sheila M. McDevitt, the laws of the State of Florida. For purposes of our opinion as to the enforceability of the Transaction Documents, we are rendering such opinion as though the laws of Massachusetts governed, notwithstanding the recitations in such instruments that the laws of another jurisdiction govern.

References in this opinion to matters known to us mean the actual knowledge of the lawyers in this firm responsible for preparing this opinion after consultation with such other lawyers in the firm and review of such documents in our possession as they considered appropriate.

Based on the foregoing, we are of opinion that:

1. The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Florida and has the corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Prospectus and to enter into and perform its obligations under the Underwriting Agreement.

2. The Underwriting Agreement has been duly authorized, executed and delivered by the Company.

3. The Transaction Documents have each been duly authorized, executed and delivered by the Company; the Notes, when validly authenticated and delivered by the Indenture Trustee, will be validly issued; the Transaction Documents, when validly authenticated, executed and delivered by the Indenture Trustee, will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing; and the Notes are entitled to the benefits of the Indenture.

4. The Registration Statement has become effective under the 1933 Act; any required filing of the Prospectus pursuant to Rule 424(b) has been made in the manner and within the time period required by Rule 424(b); and, to the best of our knowledge, no stop order suspending the effectiveness of the Registration Statement has been issued under the 1933 Act and no proceedings for that purpose have been instituted or are pending or threatened by the Commission.

5. The Registration Statement, the Prospectus, excluding the documents incorporated by reference therein, and each amendment or supplement to the Registration Statement and Prospectus, excluding the documents incorporated by reference therein, as of their respective effective or issue dates (other than the financial statements and supporting schedules included therein or omitted therefrom and the Statements of Eligibility on Form T-1 of the applicable trustees, as to which we express no opinion), comply as to form in all material respects with the requirements of the 1933 Act and the 1933 Act Regulations and the 1939 Act.

6. The documents incorporated by reference in the Prospectus (other than the financial statements and supporting schedules included therein or omitted therefrom, as to which we express no opinion) when they became effective or were filed with the Commission, as the case may be, complied as to form at the time of such effectiveness or filing in all material respects with the requirements of the 1934 Act and the 1934 Act Regulations.

7. No filing, registration, or qualification with, or authorization, approval, consent, license, order, or decree of, any court or governmental authority or agency (other than under the 1933 Act and the 1933 Act Regulations and the 1939 Act, which have been obtained or made, or as may be required under the securities or blue sky laws of the various states, as to which we express no opinion) is necessary or required in connection with the due authorization, execution

and delivery of the Underwriting Agreement or the Indenture or for the offering, issuance, sale or delivery of the Notes, except such as have been already obtained or made.

8. The execution, delivery and performance by the Company of the Underwriting Agreement and the Transaction Documents and the consummation of the transactions contemplated in the Underwriting Agreement and in the Registration Statement (including the issuance and sale of the Notes and the use of the proceeds from the sale of the Notes as described in the Prospectus under the caption "Use Of Proceeds") do not and will not, whether with or without the giving of notice or lapse of time or both, constitute a breach of, or default or similar event under or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company pursuant to any written contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or any other agreement or instrument that is listed as an exhibit to the Company's Form 10-K for the year ended December 31, 2000 or any of the Company's Forms 10-Q and 8-K filed subsequent thereto, nor will such action result in any violation of the provisions of (i) the charter or by-laws of the Company, (ii) any applicable statute or rule or regulation, or (iii) any judgment, order, writ or decree known to us, of any government, government instrumentality or court, domestic or foreign, having jurisdiction over the Company or any of its properties, assets or operations.

9. The Company is not and, after giving effect to the transactions contemplated by the Underwriting Agreement, will not be an "investment company" or an entity "controlled" by an "investment company," as such terms are defined in the 1940 Act.

10. The Indenture has been duly qualified under the 1939 Act.

11. The statements made in the Prospectus under the captions "Description of the Notes" and "Description of Debt Securities," insofar as such statements purport to constitute a summary of the terms of any of the Transaction Documents, constitute accurate summaries thereof in all material respects.

We have participated in conferences with officers and other representatives of the Company and representatives of the Underwriters at which conferences the contents of the Prospectus and the Registration Statement and related matters were discussed and, although we have not independently verified, are not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Registration Statement or the Prospectus (except as otherwise indicated above), we advise you that, on the basis of the foregoing, no facts have come to our attention that cause us to believe that the Registration Statement, as of its effective date, or any amendment thereto, as of its effective date, contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein not misleading or that the Prospectus, as of its issue date or as of the Closing Time, or any amendment or supplement thereto, as of its issue date or as of the Closing Time, contained any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading (it being understood that we express no comment as to the Forms T-1 or the financial statements, including the notes thereto, or other financial data contained in the Registration Statement or the Prospectus).

This opinion is furnished to you as Underwriters in connection with the transaction described above and may not be relied on without our prior written consent for any other purpose or by anyone else, except that Ropes & Gray may rely on this opinion in rendering its opinion to you pursuant to the Underwriting Agreement.

Very truly yours,

Palmer & Dodge LLP

PALMER & DODGE LLP

TAMPA ELECTRIC

June 25, 2001

Banc of America Securities LLC
BNP Paribas Securities Corp.
Scotia Capital (USA) Inc.
TD Securities (USA) Inc.
Westdeutsche Landesbank Girozentrale
c/o Banc of America Securities LLC
Bank of America Corporate Center
100 North Tryon Street
Charlotte, NC 28255

Re: 6.875 % Notes Due 2012

Ladies and Gentlemen:

As General Counsel of Tampa Electric Company, a Florida corporation (the "Company"), I have acted as counsel to the Company in connection with the sale by the Company of $250,000,000 aggregate principal amount of its 6.875 % Notes due 2012 (the "Notes"). This opinion is being delivered pursuant to Section 5(b)(ii) of the Underwriting Agreement (the "Underwriting Agreement") dated June 20, 2001, between the Company and you, as underwriters (the "Underwriters").

In my examination I have assumed the genuineness of all signatures (other than signatures made on behalf of the Company), including endorsements, the legal capacity of natural persons, the authenticity of all documents submitted to me as originals, the conformity to original documents of all documents submitted to me as certified or photostatic copies and the authenticity of the originals of such copies. As to facts material to this opinion which I did not independently establish or verify, I have relied upon statements and representations of officers of the Company and other representatives and public officials. Also, with your approval, I have relied as to certain legal matters on advice of other lawyers employed by the Company who are more familiar with such matters.

In rendering the opinions set forth herein, I, or attorneys under my supervision, have examined and relied on originals or copies of the Notes and the Indenture (the "Transaction Documents") and have also examined the Registration Statement, the Basic Prospectus and the Prospectus Supplement, the governing documents and corporate records, agreements, certificates of public officials and such other documents and matters of law as I have deemed necessary or appropriate as a basis for the opinions set forth below. As to various questions of fact material to my opinion, I have relied upon the representations made in or pursuant to the Underwriting Agreement and upon certificates of officers of the Company.

I express no opinion with respect to any provision of the Transaction Documents to the extent that such provision purports to exculpate any person thereby or grants rights of indemnification which may violate public policy, and insofar as enforceability of such provision may be limited under state securities laws.

Capitalized terms not otherwise defined in this opinion have the meanings assigned to them in the Underwriting Agreement. When used in this opinion, the phrase "to the best of my knowledge" or equivalent words with respect to a matter means that nothing has come to my attention in the course of my representation of the Company which would lead me to question such matter but that, except as expressly stated, I have not made any special investigation with respect thereto.

I am a member of the Florida Bar, and I express no opinion as to the laws of any jurisdiction other than the applicable laws of the State of Florida. For purposes of my opinion as to the enforceability of the Indenture and the Notes, I am rendering this opinion as though the laws of the State of Florida governed, notwithstanding the recitations in such instruments that the laws of another jurisdiction govern.

Based upon and subject to the foregoing and subject to the limitations, qualifications, exceptions and assumptions set forth herein, I am of the opinion that:

1. The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Florida and has the corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Prospectus and to enter into and perform its obligations under the Underwriting Agreement.

2. The Underwriting Agreement has been duly authorized, executed and delivered by the Company.

3. The Transaction Documents have each been duly authorized, executed and delivered by the Company; the Notes, when validly authenticated, and delivered by the Indenture Trustee, will be validly issued; the Transaction Documents, when validly authenticated, executed and delivered by the Indenture Trustee, constitute valid and legally binding obligations of the Company, enforceable against the Company in accordance with their respective terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing.

4. All descriptions in the Registration Statement of written contracts and other documents to which the Company is a party are accurate in all material respects; to the best of my knowledge, there are no franchises, contracts, indentures, mortgages, loan agreements, notes, leases or other instruments required to be described or referred to in the Registration Statement or to be filed as exhibits thereto other than those described or referred to therein or filed or incorporated by reference as exhibits thereto, and the descriptions thereof or references thereto are correct in all material respects.

5. No filing, registration, or qualification with, or authorization, approval, consent, license, order, or decree of, any court or governmental authority or agency, including the Florida Public Service Commission (other than under the 1933 Act and the 1933 Act Regulations and the 1939 Act, which have been obtained or made, or as may be required under the securities or blue sky laws of the various states, as to which I express no opinion) is necessary or required in connection with the due authorization, execution and delivery of the Underwriting Agreement or the Indenture or for the offering, issuance, sale or delivery of the Notes, except such as have been already obtained or made.

6. The execution, delivery and performance by the Company of the Underwriting Agreement and the Transaction Documents and the consummation of the transactions contemplated in the Underwriting Agreement and in the Registration Statement (including the issuance and sale of the Notes and the use of the proceeds from the sale of the Notes as described in the Prospectus under the caption "Use Of Proceeds") do not and will not, whether with or without the giving of notice or lapse of time or both, constitute a breach of, or default or similar event under or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company pursuant to any written contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or any other agreement or instrument that is listed as an exhibit to the Company's Form 10-K for the year ended December 31, 2000 or any of the Company's Forms 10-Q and 8-K filed subsequent thereto, nor will such action result in any violation of the provisions of (i) the charter or by-laws of the Company, (ii) any applicable statute or rule or regulation, or (iii) any judgment, order, writ or decree known to me, of any government, government instrumentality or court, domestic or foreign, having jurisdiction over the Company or any of its properties, assets or operations.

I, or attorneys under my supervision, have participated in conferences with officers and other representatives of the Company and representatives of the Underwriters at which conferences the contents of the Prospectus and the Registration Statement and related matters were discussed and, although I have not independently verified, am not passing upon and do not assume any responsibility for the accuracy, completeness or fairness of the statements contained in the Registration Statement or the Prospectus (except as otherwise indicated above), I advise you that, on the basis of the foregoing, no facts have come to my attention that cause me to believe that the Registration Statement, as of its effective date, or any amendment thereto, as of its effective date, contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein not misleading or that the Prospectus, as of its issue date or as of the date hereof, or any amendment or supplement thereto, as of its issue date or as of the date hereof, contained any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading (it being understood that I express no comment as to the Forms T-1 or the financial statements, including the notes thereto, or other financial data contained in the Registration Statement or the Prospectus).

This opinion is furnished to you as Underwriters and is solely for your benefit, except that Palmer & Dodge LLP and Ropes & Gray LLP may rely on this opinion in rendering its opinion to you pursuant to the Underwriting Agreement.

Very truly yours,

Sheila M. McDevitt
General Counsel

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Document is copied.
AS FILED WITH THE SECURITIES AND EXCHANGE COMMISSION ON FEBRUARY 6, 2001.
REGISTRATION NO. 333-

U.S. SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM S-3
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

TAMPA ELECTRIC COMPANY
(Exact name of registrant as specified in its charter)

FLORIDA	59-0475140
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

702 NORTH FRANKLIN STREET, TAMPA, FLORIDA 33602 (813) 228-4111
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

DAVID E. SCHWARTZ, ESQ.
SECRETARY
TAMPA ELECTRIC COMPANY
702 NORTH FRANKLIN STREET
TAMPA, FLORIDA 33602
(813) 228-4111
(Name, address, including zip code, and telephone number, including area code, of agent for service)

WITH COPIES TO:

DAVID R. POKROSS, JR., ESQ.	MARK V. NUCCIO, ESQ.
PALMER & DODGE LLP	ROPES & GRAY
ONE BEACON STREET	ONE INTERNATIONAL PLACE
BOSTON, MASSACHUSETTS 02108	BOSTON, MASSACHUSETTS 02110-2624

APPROXIMATE DATE OF COMMENCEMENT OF PROPOSED SALE TO THE PUBLIC: From time

to time after the effective date of this Registration Statement.

If the only securities being registered on this form are being offered pursuant to dividend or interest reinvestment plans, please check the following box. [ ]

If any of the securities being registered on this form are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act of 1933, other than securities offered only in connection with dividend or interest reinvestment plans, check the following box. [X]

If this form is filed to register additional securities for an offering pursuant to Rule 462(b) under the Securities Act, please check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

If this form is a post-effective amendment filed pursuant to Rule 462(c) under the Securities Act, check the following box and list the Securities Act registration statement number of the earlier effective registration statement for the same offering. [ ]

If delivery of the prospectus is expected to be made pursuant to Rule 434, please check the following box. [X]

CALCULATION OF REGISTRATION FEE

TITLE OF EACH CLASS OF SECURITIES TO BE REGISTERED	AMOUNT TO BE REGISTERED	PROPOSED MAXIMUM OFFERING PRICE PER UNIT	PROPOSED MAXIMUM AGGREGATE OFFERING PRICE(1)	AMOUNT OF REGISTRATION FEE(1)
Debt Securities.....	$500,000,000	100%	$500,000,000	$125,000

(1) Estimated solely for the purpose of determining the registration fee and computed pursuant to Rule 457(o)

THE REGISTRANT HEREBY AMENDS THIS REGISTRATION STATEMENT ON SUCH DATE OR DATES AS MAY BE NECESSARY TO DELAY ITS EFFECTIVE DATE UNTIL THE REGISTRANT SHALL FILE A FURTHER AMENDMENT WHICH SPECIFICALLY STATES THAT THIS REGISTRATION STATEMENT SHALL THEREAFTER BECOME EFFECTIVE IN ACCORDANCE WITH SECTION 8(a) OF THE SECURITIES ACT OF 1933 OR UNTIL THE REGISTRATION STATEMENT SHALL BECOME EFFECTIVE ON SUCH DATE AS THE COMMISSION, ACTING PURSUANT TO SAID SECTION 8(a), MAY DETERMINE.

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The information in this prospectus is not complete and may be changed. We

may not sell these securities until the registration statement filed with the SEC is effective. This prospectus is not an offer to sell and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

SUBJECT TO COMPLETION, DATED , 2001

PROSPECTUS

TAMPA ELECTRIC COMPANY

DEBT SECURITIES

We plan to offer debt securities to the public from time to time.

We may offer the debt securities as separate series, in amounts, prices and on terms determined at the time of the sale. When we offer debt securities, we will provide a prospectus supplement or a term sheet describing the terms of the specific issue, including the offering price of the securities. YOU SHOULD READ THIS PROSPECTUS AND THE PROSPECTUS SUPPLEMENT OR THE TERM SHEET, TOGETHER WITH THE ADDITIONAL INFORMATION DESCRIBED UNDER THE HEADING "WHERE YOU CAN FIND MORE INFORMATION" BEGINNING ON PAGE 8 OF THIS PROSPECTUS, BEFORE YOU MAKE YOUR INVESTMENT DECISION.

We will sell the debt securities to underwriters or dealers, through agents, or directly to investors.

NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY STATE SECURITIES COMMISSION HAS APPROVED OR DISAPPROVED OF THESE SECURITIES OR DETERMINED IF THIS PROSPECTUS IS TRUTHFUL OR COMPLETE. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE.

THIS PROSPECTUS MAY NOT BE USED TO SELL SECURITIES UNLESS ACCOMPANIED BY A PROSPECTUS SUPPLEMENT.

The date of this prospectus is , 2001

Tampa Electric Company - 702 North Franklin Street - Tampa, Florida 33602 - (813) 228-4111

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RISK FACTORS

For each series of debt securities, we will include risk factors, if appropriate, in a prospectus supplement or term sheet relating to that series.

FORWARD LOOKING STATEMENTS

This prospectus, any prospectus supplement or term sheet, and the documents we have incorporated by reference may contain forward-looking statements. Such statements relate to future events or our future financial performance. We use words such as "anticipate," "believe," "expect," "may," "project," "will" or other similar words to identify forward-looking statements.

Without limiting the foregoing, any statements relating to our

- anticipated capital expenditures;
- future cash flows and borrowings;
- potential future merger opportunities; and
- sources of funding

are forward-looking statements. These forward-looking statements are based on numerous assumptions that we believe are reasonable, but they are open to a wide range of uncertainties and business risks and actual results may differ materially from those discussed in these statements.

Among the factors that could cause actual results to differ materially are:

- variations in weather conditions affecting energy sales and operating costs;
- potential competitive changes in the electric and gas industries, particularly in the area of retail competition;
- changes in environmental regulation that may impose additional costs or curtail some of our activities;
- federal and state regulatory initiatives that increase competition or costs, threaten investment recovery, or impact rate structure;
- available sources and costs of commodities;
- inflationary trends and other general economic conditions, particularly those affecting energy sales in our service area; and
- interest rates, market conditions and other factors that could impact our ability to obtain access to sufficient capital on satisfactory terms.

When considering forward-looking statements, you should keep in mind the cautionary statements in this prospectus, any prospectus supplement or term sheet and the documents incorporated by reference.

THE COMPANY

We are a public utility company which is a wholly-owned subsidiary of TECO Energy, Inc., a diversified energy-related holding company. We generate, purchase, transmit, distribute and sell electric energy for customers within west central Florida and, through our Peoples Gas System division, purchase, distribute and market natural gas for customers throughout Florida. You can find a more complete description of our business and our recent activities in the documents listed under "WHERE YOU CAN FIND MORE INFORMATION." The address of our principal executive office is 702 North Franklin Street, Tampa, Florida 33602, and our telephone number is (813) 228-4111.

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth our consolidated ratio of earnings to fixed charges for the periods shown.

NINE MONTHS ENDED SEPTEMBER 30, 2000	TWELVE MONTHS ENDED SEPTEMBER 30, 2000(1)	YEAR ENDED DECEMBER 31, 1999(2)	1998(3)	1997	1996(4)	1995(4)
4.41x	4.10x	3.82x	4.51x	4.38x	4.40x	4.28x

For the purposes of calculating this ratio, earnings consist of income before income taxes and fixed charges. Fixed charges consist of interest on indebtedness, amortization of debt premium, the interest component of rentals and preferred stock dividend requirements.

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(1) Includes the effect of non-recurring pretax charges totaling $3.5 million recorded in the fourth quarter of 1999 to resolve litigation filed by the U.S. Environmental Protection Agency. The effect of this charge was to reduce the ratio of earnings to fixed charges. Had this charge been excluded from the calculation, the ratio of earnings to fixed charges would have been 4.14x for the twelve-months ended September 30, 2000.

(2) Includes the effect of one-time, pre-tax charges totaling $18.3 million recorded in the third and fourth quarters of 1999. Charges consisted of the following: $10.5 million recorded based on audits of its 1997 and 1998 earnings by the Florida Public Service Commission which limited its equity ratio to 58.7 percent; $3.5 million to resolve litigation filed by the U.S. Environmental Protection Agency; and $4.3 million for corporate income tax settlements related to prior years' tax returns. The effect of these charges was to reduce the ratio of earnings to fixed charges. Had these charges been excluded from the calculation, the ratio of earnings to fixed charges would have been 4.61x for the year ended December 31, 1999.

(3) Includes the effect of one-time, pretax charges totaling $16.9 million. The effect of these charges was to reduce the ratio of earnings to fixed charges. Had these charges been excluded from the calculation, the ratio of earnings to fixed charges would have been 4.66x for the year ended December 31, 1998.

(4) Amounts have been restated to reflect the merger of Peoples Gas System, Inc., with and into Tampa Electric Company.

USE OF PROCEEDS

We intend to add the net proceeds from the sale of the debt securities to our general funds, to be used for general corporate purposes, which may include capital expenditures, investment in subsidiaries, working capital, repayment of debt and other business opportunities.

DESCRIPTION OF DEBT SECURITIES

The debt securities will be unsecured and will rank on parity with all our other unsecured and unsubordinated indebtedness. We will issue debt securities in one or more series under an indenture dated as of July 1, 1998 between us and The Bank of New York, as trustee. We filed the indenture as an exhibit to the registration statement of which this prospectus is a part. The following

description of the terms of the debt securities summarizes the material terms that will apply to the debt securities. The description is not complete, and we refer you to the indenture which we incorporate by reference.

GENERAL

The indenture does not limit the aggregate principal amount of the debt securities or of any particular series of debt securities that we may issue under it. We do not need to issue debt securities of any series at the same time nor must the debt securities within any series bear interest at the same rate or mature on the same date.

Each time that we issue a new series of debt securities, the prospectus supplement or term sheet relating to that new series will describe the particular amount, price and other terms of those debt securities. These terms may include:

- the title of the debt securities;
- any limit on the total principal amount of the debt securities;
- the date or dates on which the principal of the debt securities will be payable or the method by which such date or dates will be determined;
- the rate or rates at which the debt securities will bear interest, if any, or the method by which such rate or rates will be determined, and the date or dates from which any such interest will accrue;
- the dates on which any such interest will be payable and the record dates, if any, for any such interest payments;
- if applicable, whether we may extend the interest payment periods and, if so, the permitted duration of any such extensions;
- the place or places where the principal of and interest on the debt securities will be payable;
- any obligation we may have to redeem or purchase the debt securities pursuant to any sinking fund, purchase fund or analogous provision or at the option of the holder and the terms and conditions on which the debt securities may be redeemed or purchased pursuant to an obligation;
- the denominations in which we will issue the debt securities, if other than denominations of $1,000;
- the terms and conditions, if any, on which we may redeem the debt securities;
- the currency, currencies or currency units in which we will pay the principal of and any premium and interest on the debt securities, if other than U.S. dollars, and the manner of determining the equivalent in U.S. dollars;
- whether we will issue any debt securities in whole or in part in the form of one or more global securities and, if so, the identity of the depositary for the global security and any provisions regarding the transfer, exchange or legending of any such global security if different from those described below under the caption "Global Securities;"
- any addition to, change in or deletion from the events of default or covenants described in this prospectus with respect to the debt securities and any change in the right of the trustee or the holders to declare the principal amount of the debt securities due and payable;

- any index or formula used to determine the amount of principal of or any premium or interest on the debt securities and the manner of determining any such amounts;

- any subordination of the debt securities to any other indebtedness of the Company; and

- other material terms of the debt securities.

Unless the prospectus supplement or term sheet relating to the issuance of a series of debt securities indicates otherwise, the debt securities will have the following characteristics:

We will only issue debt securities in fully registered form, without coupons, in denominations of $1,000 or multiples of $1,000. We will not charge a service fee for the registration, transfer or exchange of debt securities, but we may require a payment sufficient to cover any tax or other governmental charge payable in connection with registration, transfer or exchange.

The principal of, and any premium and interest on, any debt securities will be payable at the corporate trust office of The Bank of New York in New York, New York. Debt securities will be exchangeable and transfers thereof will be registrable at this corporate trust office. Payment of any interest due on any debt

security will be made to the person in whose name the debt security is registered at the close of business on the regular record date for interest.

We will have the right to redeem the debt securities only upon written notice mailed between 30 and 60 days prior to the redemption date.

If we plan to redeem the debt securities, before the redemption occurs we are not required to:

- issue, register the transfer of, or exchange any debt security of that series during the period beginning 15 days before we mail the notice of redemption and ending on the day we mail the notice; or

- after we mail the notice of redemption, register the transfer of or exchange any debt security selected for redemption, except if we are only redeeming a part of a debt security, we are required to register the transfer of or exchange the unredeemed portion of the debt security if the holder so requests.

We may offer and sell debt securities at a substantial discount below their principal amount. We will describe any applicable special federal income tax and other considerations, if any, in the relevant prospectus supplement or term sheet. We may also describe certain special federal income tax or other considerations, if any, applicable to any debt securities that are denominated in a currency or currency unit other than U.S. dollars in the relevant prospectus supplement or term sheet.

The debt securities do not provide special protection in the event we are involved in a highly leveraged transaction.

GLOBAL SECURITIES

If we decide to issue debt securities in the form of one or more global securities, then we will register the global securities in the name of the depositary for the global securities or the nominee of the depositary and the global securities will be delivered by the trustee to the depositary for credit to the accounts of the holders of beneficial interests in the debt securities.

The prospectus supplement or term sheet will describe the specific terms of

the depositary arrangement for debt securities of a series that are issued in global form. None of our company, the trustee, any payment agent or the security registrar will have any responsibility or liability for any aspect of the records relating to or payments made on account of beneficial ownership interests in a global debt security or for maintaining, supervising or reviewing any records relating to these beneficial ownership interests.

CONSOLIDATION, MERGER, ETC.

We will not consolidate or merge with or into any other corporation or other organization, or sell, convey or transfer all or substantially all of our assets to any individual or organization, unless:

- the successor is an individual or organization organized under the laws of the United States or any state thereof or the District of Columbia;
- the successor or transferee expressly assumes our obligations under the indenture; and
- the consolidation, merger, sale or transfer does not cause the occurrence of a default under the indenture.

Upon the assumption by the successor of our obligations under the indenture and the debt securities issued thereunder, and the satisfaction of any other conditions required by the indenture, the successor will succeed to and be substituted for us under the indenture.

MODIFICATION OF THE INDENTURE

The indenture provides that we or the trustee may modify or amend its terms with the consent of (i) the holders of not less than a majority in aggregate principal amount of the outstanding debt securities of each affected series and (ii) 66 2/3% in aggregate principal amount of the outstanding debt securities of all affected

series. However, without the consent of each holder of all of the outstanding debt securities affected by that modification, we may not:

- change the date stated on the debt security on which any payment of principal or interest is stated to be due;
- reduce the principal amount or any premium or interest on, any debt security, including in the case of a discounted debt security, the amount payable upon acceleration of the maturity thereof;
- change the place of payment or currency of payment of principal of, or premium, if any, or interest on, any debt security;
- impair the right to institute suit for the enforcement of any payment on or with respect to any debt security after the stated maturity (or, in the case of redemption, on or after the redemption date); or
- reduce the percentage in principal amount of outstanding debt securities of any series, the consent of the holders of which is required for modification or amendment of the indenture, for waiver of compliance with some provisions of the indenture or for waiver of some defaults.

Under limited circumstances and only upon the fulfillment of conditions, we and the trustee may make modifications and amendments of the indenture without the consent of any holders of the debt securities.

The holders of not less than a majority in aggregate principal amount of the outstanding debt securities of any series may waive any past default under the indenture with respect to that series except:

- a default in the payment of principal of, or any premium or interest on, any debt security of that series;

- in respect of a covenant or provision under the indenture which cannot be modified or amended without the consent of the holder of each outstanding debt security of the affected series.

EVENTS OF DEFAULT

Any one of the following events is an event of default with respect to debt securities of any series issued under the indenture (unless inapplicable to the particular series, specifically modified or deleted as a term of such series or otherwise modified or deleted in an indenture supplemental to the indenture):

- we fail to pay any interest on any debt security of that series when due, and such failure has continued for 30 days;

- we fail to pay principal of or premium, if any, on any debt security of that series when due;

- we fail to deposit any sinking fund payment in respect of any debt security of that series when due, and such failure has continued for 30 days;

- we fail to perform any other covenant in the indenture (other than a covenant included in the indenture solely for the benefit of a series of debt securities other than that series), and such failure has continued for 90 days after we receive written notice as provided in the indenture;

- events of bankruptcy, insolvency or reorganization; and

- any other event defined as an event of default with respect to debt securities of a particular series.

If an event of default with respect to any series of debt securities occurs and is continuing, the trustee or the holders of not less than 25% in principal amount of the outstanding debt securities of that series may declare the principal amount (or, if any debt securities of that series are discounted debt securities, a portion of the principal amount that the terms of the series may specify) of all debt securities of that series to be immediately due and payable. Under some circumstances, the holders of a majority in principal amount of the outstanding debt securities of that series may rescind and annul such declaration and its consequences. The prospectus supplement or term sheet relating to any series of debt securities that are discounted debt securities will specify the particular provisions relating to acceleration of a portion of the principal amount of the

discounted debt securities upon the occurrence of an event of default and the continuation of the event of default.

Subject to the provisions of the indenture relating to the duties of the trustee in case an event of default occurs and is continuing, the trustee is not obligated to exercise any of its rights or powers under the indenture at the request or direction of any of the holders unless the holders have offered to the trustee reasonable security or indemnity. Subject to such provisions for security and indemnification of the trustee and other rights of the trustee, the holders of a majority in principal amount of the outstanding debt securities of any series have the right to direct the time, method and place of conducting any proceedings for any remedy available to the trustee or exercising any trust or power conferred on the trustee with respect to the debt securities of that series.

The holder of any debt security will have an absolute and unconditional

right to receive payment of the principal of and any premium and, subject to limitations specified in the indenture, interest on such debt security on its stated maturity date (or, in the case of redemption, on the redemption date) and to institute suit for the enforcement of any of these payments.

We must furnish to the trustee an annual statement that to the best of our knowledge we are not in default in the performance and observance of any terms, provisions or conditions of the indenture or, if there has been such a default, specifying each default and its status.

SATISFACTION AND DISCHARGE OF THE INDENTURE

We will have satisfied and discharged the indenture and it will cease to be in effect (except as to our obligations to compensate, reimburse and indemnify the trustee pursuant to the indenture and some other obligations), when we deposit or cause to be deposited with the trustee, in trust, an amount sufficient to pay and discharge the entire indebtedness on the debt securities not previously delivered to the trustee for cancellation, for the principal (and premium, if any) and interest to the date of the deposit (or to the stated maturity date or earlier redemption date for debt securities that have been called for redemption).

DEFEASANCE OF DEBT SECURITIES

Unless otherwise provided in the prospectus supplement or term sheet for a series of debt securities, we may cause ourself (subject to the terms of the indenture) to be discharged from any and all obligations with respect to any debt securities or series of debt securities (except for certain obligations to register the transfer or exchange of such debt securities, to replace such debt securities if stolen, lost or mutilated, to maintain paying agencies and to hold money for payment in trust) on and after the date the conditions set forth in the indenture are satisfied. Such conditions include the deposit with the trustee, in trust for such purpose, of money and/or U.S. government obligations, which through the scheduled payment of principal and interest in respect thereof in accordance with their terms will provide money in an amount sufficient to pay the principal of and any premium and interest on such debt securities on the stated maturity date of such payments or upon redemption, as the case may be, in accordance with the terms of the indenture and such debt securities.

Under current federal income tax law, the defeasance contemplated in the preceding paragraph would be treated as a taxable exchange of the relevant debt securities in which holders of debt securities would recognize gain or loss. In addition, thereafter, the amount, timing and character of amounts that holders would be required to include in income might be different from that which would be includable in the absence of such defeasance. Prospective investors are urged to consult their own tax advisors as to the specific consequences of a defeasance, including the applicability and effect of tax laws other than the federal income tax law.

THE TRUSTEE

The trustee is The Bank of New York, which maintains banking relationships with us in the ordinary course of business and serves as trustee under other indentures with us and some of our affiliates.

GOVERNING LAW

The indenture and the debt securities will be governed by and construed in accordance with the laws of the State of New York.

PLAN OF DISTRIBUTION

We may sell the debt securities through one or more of the following ways:

- directly to purchasers;

- to or through one or more underwriters or dealers; or

- through agents.

A prospectus supplement or term sheet with respect to a particular series of debt securities will set forth the terms of the offering of those debt securities, including the following:

- name or names of any underwriters, dealers or agents;

- the purchase price of such debt securities and our proceeds from the sale;

- underwriting discounts and commissions; and

- any initial public offering price and any discounts or concessions allowed or reallowed or paid to dealers.

If we use underwriters in the sale, the underwriters will acquire the debt securities for their own account and they may resell them from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices determined at the time of sale. Underwriting syndicates represented by one or more managing underwriters or one or more independent firms acting as underwriters may offer the debt securities to the public. In connection with the sale of debt securities, we may compensate the underwriters in the form of underwriting discounts or commissions. The purchasers of the debt securities for whom the underwriters may act as agent may also pay them commissions. Underwriters may sell the debt securities to or through dealers, and such dealers may receive compensation in the form of discounts, concessions or commissions from the underwriters and/or commissions from the purchasers for whom they may act as agents. Unless otherwise set forth in the applicable prospectus supplement or term sheet, the obligations of any underwriters to purchase the debt securities will be subject to conditions precedent, and the underwriters will be obligated to purchase all such debt securities if any are purchased.

If we use dealers in the sale of the debt securities, we will sell the debt securities to the dealers as principals. The dealer may then resell the debt securities to the public at varying prices to be determined by the dealer at the time of resale. The applicable prospectus supplement or term sheet will name any dealer, who may be deemed to be an underwriter, as that term is defined in the Securities Act of 1933, involved in the offer or sale of debt securities, and set forth any commissions or discounts we grant to the dealer.

If we use agents in the sales of the debt securities, the agents may solicit offers to purchase the debt securities from time to time. Any such agent, who may be deemed to be an underwriter as that term is defined in the Securities Act, involved in the offer or sale of the debt securities will be named, and any commissions payable by us to such agent set forth, in the applicable prospectus supplement or term sheet. Any agent will be acting on a reasonable effort basis for the period of its appointment or, if indicated in the applicable prospectus supplement or term sheet, on a firm commitment basis.

We may also sell debt securities directly to institutional investors or others who may be deemed to be underwriters within the meaning of the Securities Act with respect to resales. The terms of those sales would be described in the prospectus supplement or term sheet.

If the prospectus supplement or term sheet so indicates, we will authorize agents, underwriters or dealers to solicit offers from institutions to purchase debt securities from us at the public offering price set forth in the prospectus supplement or term sheet pursuant to delayed delivery contracts providing for payment and

delivery on a specified date in the future. The contracts will be subject only to those conditions set forth in the prospectus supplement or term sheet, and the prospectus supplement or term sheet will set forth the commission payable for solicitation of the contracts.

Agents, dealers and underwriters may be entitled under agreements with us to indemnification against some civil liabilities, including liabilities under the Securities Act, or to contribution with respect to payments which the agents, dealers or underwriters may be required to make. Agents, dealers and underwriters may engage in transactions with, or perform services for, us or our subsidiaries for customary compensation.

If indicated in the applicable prospectus supplement or term sheet, one or more firms may offer and sell debt securities in connection with a remarketing upon their purchase, in accordance with their terms, acting as principals for their own accounts or as our agents. Any remarketing firm will be identified and the terms of its agreement, if any, with us will be described in the applicable prospectus supplement or term sheet. We may be obligated to indemnify the remarketing firm against some liabilities, including liabilities under the Securities Act, and the remarketing firm may engage in transactions with or perform services for us or our subsidiaries for customary compensation.

Any debt securities will be a new issue of securities with no established trading market. We cannot assure you that there will be a market for the debt securities of any particular series, or that if a market does develop, that it will continue to provide holders of those debt securities with liquidity for their investment or will continue for the duration the debt securities are outstanding.

The prospectus supplement or term sheet relating to each offering will set forth the anticipated date of delivery of the debt securities.

LEGAL MATTERS

Palmer & Dodge LLP, Boston, Massachusetts will pass upon the validity of the debt securities for us. Ropes & Gray, Boston, Massachusetts may pass upon certain legal matters for any underwriters, agents or dealers.

EXPERTS

The consolidated financial statements incorporated in this prospectus by reference to the Annual Report on Form 10-K of Tampa Electric Company for the year ended December 31, 1999 have been so incorporated in reliance on the report of PricewaterhouseCoopers LLP, independent certified accountants, given on the authority of said firm as experts in auditing and accounting.

WHERE YOU CAN FIND MORE INFORMATION

We file annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy any of these documents at the SEC's Public Reference Rooms in Washington, D.C., New York, New York and Chicago, Illinois. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. Our SEC filings are also available to the public on the SEC's web site at http://www.sec.gov.

We filed a registration statement on Form S-3 with the SEC covering the debt securities. For further information on us and the debt securities, you should refer to the registration statement and its exhibits. This prospectus summarizes material provisions of the indenture. Because the prospectus may not contain all the information that you may find important, you should review the full text of the indenture and other documents we have filed as exhibits to the registration statement.

The SEC allows us to "incorporate by reference" the information that we file with the SEC, which means that we can disclose important information to you by referring you to those documents. The information incorporated by reference

is considered to be part of this prospectus, and later information that we file with the SEC will automatically update and supersede this information. We incorporate by reference the following

documents and any future filings we make with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 until all of the debt securities are sold:

- our Annual Report on Form 10-K for the fiscal year ended December 31, 1999;

- our Quarterly Reports on Form 10-Q for the quarterly periods ended March 31, 2000, June 30, 2000 and September 30, 2000; and

- our Current Reports on Form 8-K dated March 1, 2000 and August 22, 2000.

You may request a copy of these filings, at no cost, by writing or telephoning us at the following address:

Director of Investor Relations
Tampa Electric Company
702 North Franklin Street
Tampa, Florida 33602
(813) 228-4111

You should rely only on the information incorporated by reference or provided in this prospectus or any prospectus supplement or term sheet. We have not authorized anyone to provide you with different information. We are not making an offer of these debt securities in any state where the offer is not permitted. You should not assume that the information in this prospectus or any prospectus supplement or term sheet is accurate as of any date other than the date on the front of these documents.

PART II

INFORMATION NOT REQUIRED IN PROSPECTUS

ITEM 14. OTHER EXPENSES OF ISSUANCE AND DISTRIBUTION

Expenses in connection with the offering of the debt securities will be borne by the registrant and are estimated as follows:

SEC registration fee	$125,000
Rating agency fees	$300,000
Trustee's fees and expenses	$ 30,000
Accountant's fees and expenses	$100,000
Legal fees and expenses	$200,000
Printing costs	$150,000
Blue Sky fees and expenses	$ 15,000
Miscellaneous expenses	$ 10,000
Total	$930,000

ITEM 15. INDEMNIFICATION OF DIRECTORS AND OFFICERS

Our bylaws provide that any person who is or was a party to any threatened, pending or completed proceeding, because such person is or was our director or

officer or is or was serving at our request as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, shall be indemnified by us to the full extent permitted by law against expenses and liabilities. The indemnification provided for in our bylaws is expressly not exclusive of all other rights to which such person may be entitled as a matter of law.

Section 607.0850 of the Florida Business Corporation Act grants us the power to indemnify each person who was or is a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he is or was a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise, against liability, expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by him in connection with any such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in, or not opposed to, the best interests of the registrant, and with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful; provided, however, no indemnification shall be made in connection with any proceeding brought by or in the right of the registrant where the person involved is adjudged to be liable to the registrant, except to the extent approved by a court.

TECO Energy, Inc. maintains an insurance policy on behalf of our directors and officers, covering certain liabilities that may be incurred by the directors and officers when acting in their capacities as such.

If the debt securities are sold to or through underwriters or agents, the agreement with such underwriters or agents will provide that such underwriters or agents will indemnify the registrant's directors and officers against certain liabilities, including certain liabilities under the Securities Act.

ITEM 16. EXHIBITS

See Exhibit Index immediately following the signature page hereof.

ITEM 17. UNDERTAKINGS

(a) We hereby undertake:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this Registration Statement:

(i) To include any prospectus required by Section 10(a)(3) of the Securities Act;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the Registration Statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the Registration Statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high and of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20 percent change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective Registration Statement; and

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the Registration Statement or any material change to such information in the registration statement;

provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the registration statement is on Form S-3, Form S-8 or Form F-3, and the information required to be included in a post-effective amendment by those paragraphs is contained in periodic reports filed with or furnished to the Commission by us pursuant to Section 13 or 15(d) of the Exchange Act that are incorporated by reference in the Registration Statement.

(2) That, for the purpose of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering.

(4) If the registrant is a foreign private issuer, to file a post-effective amendment to the registration statement to include any financial statements required by Rule 3-19 of Regulation S-X at the start of any delayed offering or throughout a continuous offering. Financial statements and information otherwise required by Section 10(a)(3) of the Securities Act need not be furnished, provided, that the registrant includes in the prospectus, by means of a post-effective amendment, financial statements required pursuant to this paragraph (a)(4) and other information necessary to ensure that all other information in the prospectus is at least as current as the date of those financial statements. Notwithstanding the foregoing, with respect to registration statements on Form F-3, a post-effective amendment need not be filed to include financial statements and information required by Section 10(a)(3) of the Securities Act or Rule 3-19 of Regulation S-X if such financial statements and information are contained in periodic reports filed with or furnished to the Commission by the registrant pursuant to Section 13 or Section 15(d) of the Exchange Act that are incorporated by reference in the Form F-3.

(b) We hereby undertake that, for purposes of determining any liability under the Securities Act, each filing of our annual report pursuant to Section 13(a) or Section 15(d) of the Exchange Act (and, where applicable, each filing of any employee benefit plan's annual report pursuant to Section 15(d) of the Exchange Act) that is incorporated by reference in this Registration Statement shall be deemed to be a new registration statement relating to the securities offered herein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act may be permitted to our directors, officers and controlling persons pursuant to the provisions referred to in Item 15 hereof, or otherwise, we have been advised that in the opinion of the Commission such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, we will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

(d) We hereby undertake that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this Registration Statement in reliance upon Rule 430A and contained in a form of prospectus filed by the registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this Registration Statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new Registration Statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant certifies that it has reasonable grounds to believe that it meets all of the requirements for filing on Form S-3 and has duly caused this Registration Statement to be signed on its behalf by the undersigned, thereunto duly authorized, in the City of Tampa, State of Florida, on February 6, 2001.

TAMPA ELECTRIC COMPANY

By: /s/ R.D. FAGAN

R.D. Fagan
Chairman of the Board, Director and Chief Executive Officer

POWER OF ATTORNEY

We, the undersigned officers and directors of Tampa Electric Company, hereby severally constitute and appoint Gordon L. Gillette and David E. Schwartz our true and lawful attorneys, with full power to them in any and all capacities, to sign any amendments to this Registration Statement on Form S-3 (including pre-and post-effective amendments), and any related Rule 462(b) registration statement or amendment thereto, and to file the same, with exhibits thereto and other documents in connection therewith, with the Securities and Exchange Commission, hereby ratifying and confirming all that each of said attorneys-in-fact may do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this Registration Statement has been signed by the following persons in the capacities indicated as of February 6, 2001.

SIGNATURE	TITLE
/s/ R.D. FAGAN --- R. D. Fagan	Chairman of the Board, Director and Chief Executive Officer (Principal Executive Officer)
/s/ G. L. GILLETTE --- G. L. Gillette	Vice President-Finance and Chief Financial Officer (Principal Financial Officer)

/s/ P.L. BARRINGER P.L. Barringer	Vice President-Controller (Principal Accounting Officer)
/s/ C. D. AUSLEY C. D. Ausley	Director
/s/ S. L. BALDWIN S. L. Baldwin	Director
/s/ H. L. CULBREATH H. L. Culbreath	Director
/s/ J.L. FERMAN, JR. J. L. Ferman, Jr.	Director
/s/ L. GUINOT, JR. L. Guinot, Jr.	Director

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SIGNATURE	TITLE
/s/ T. L. RANKIN T. L. Rankin	Director
/s/ W.D. ROCKFORD W.D. Rockford	Director
/s/ W.P. SOVEY W. P. Sovey	Director
/s/ J.T. TOUCHTON J. T. Touchton	Director
/s/ J.A. URQUHART J. A. Urquhart	Director
/s/ J.O. WELCH, JR. J. O. Welch, Jr.	Director

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EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION

4.1 Indenture dated as of July 1, 1998 between Tampa Electric Company and The Bank of New York, as trustee. Filed as Exhibit 4.1 to the registrant's Amendment No. 1 to Registration Statement on Form S-3 (File No. 333-55873) filed on July 13, 1998 and incorporated herein by reference.

5.1 Opinion of Palmer & Dodge LLP regarding the validity of the debt securities. Filed herewith.

5.2 Opinion of Ropes & Gray regarding the validity of the debt securities. Filed herewith.

12.1 Computation of Ratio of Earnings to Fixed Charges. Filed as Exhibit 12 to the registrant's Quarterly Report on Form 10-Q for the period ending September 30, 2000.

23.1 Consent of PricewaterhouseCoopers LLP. Filed herewith.

23.2 Consent of Palmer & Dodge LLP (included in Exhibit 5.1).

23.3 Consent of Ropes & Gray (included in Exhibit 5.2).

24.1 Power of Attorney (included on signature page of the initial filing of this Registration Statement).

25.1 Statement of Eligibility of Trustee on Form T-1. Filed herewith.

EX-5.1 OTHERDOC
2
b38102teex5-1.txt
OPINION OF PALMER AND DODGE LLP

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Document is copied.
Exhibit 5.1

[Palmer & Dodge LLP Letterhead]

February 6, 2001

Tampa Electric Company
702 North Franklin Street
Tampa, Florida 33602

We are rendering this opinion in connection with the Registration Statement on Form S-3 (the "Registration Statement") filed by Tampa Electric Company (the "Company") with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"), on or about the date hereof relating to debt securities of the Company in an aggregate principal amount of $500,000,000 ("Debt Securities"). The Debt Securities are to be offered on a delayed or continuous basis pursuant to Rule 415 under the Securities Act and issued pursuant to an Indenture dated as of July 1, 1998 (the "Indenture") between the Company and The Bank of New York, as trustee, which is filed as Exhibit 4.1 to Amendment No. 1 to the Company's Registration Statement on Form S-3 (File No. 333-55873) filed on July 13, 1998.

We have acted as your counsel in connection with the preparation of the Registration Statement and are familiar with the proceedings taken by the Company in connection with the authorization, issuance and sale of the Debt Securities. We have examined all such documents as we consider necessary to enable us to render this opinion.

Based on the foregoing and assuming that the Indenture has been duly authorized, executed and delivered by the Trustee, an assumption which we have not independently verified, we advise you that, in our opinion, when the Registration Statement has become effective under the Securities Act, the terms of the Debt Securities and of their issuance and sale have been duly established in conformity with the Indenture so as not to violate any applicable law or result in a default under or breach of any agreement or instrument binding upon the Company and so as to comply with any requirement or restriction imposed by any court or governmental body having jurisdiction over the Company, and the Debt Securities have been duly executed, authenticated and delivered in accordance with the Indenture against payment of the purchase price therefore and issued and sold as contemplated by the Registration Statement, the Debt Securities will (i) constitute valid and binding obligations of the Company, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting the rights and remedies of creditors and (ii) to general principles of equity, regardless of whether applied in proceedings in equity or at law.

We have relied as to certain matters on information obtained from public officials, officers of the Company and other sources believed by us to be responsible.

The Indenture and Debt Securities are governed by the laws of the State of New York and, therefore, in rendering our opinion as to the validity and binding effect of the Debt Securities, we have relied on the opinion of Ropes & Gray with respect to matters of New York law. Except to the extent of such reliance, the opinion rendered herein is limited to the Florida

Business Corporation Act (including the reported judicial decisions interpreting that Act and applicable procedures of the Florida Constitution) and the federal laws of the United States.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the reference to our firm under the caption "Legal Matters" in the prospectus filed as part thereof.

Very truly yours,

/s/ Palmer & Dodge LLP

EX-5.2 OTHERDOC
3
b38102teex5-2.txt
OPINION OF ROPES AND GRAY

Document is copied.
Exhibit 5.2

[Ropes & Gray Letterhead]

January 30, 2001

Palmer & Dodge LLP
One Beacon Street
Boston, Massachusetts 02108

Ladies and Gentlemen:

This opinion is being furnished to you in connection with the Registration Statement on Form S-3 (the "REGISTRATION STATEMENT") filed by Tampa Electric Company, a Florida corporation (the "COMPANY"), with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "SECURITIES ACT"), on or about the date hereof for the registration of $500,000,000 aggregate principal amount of debt securities of the Company (the "DEBT SECURITIES"). The Debt Securities will be issuable under an Indenture dated as of July 1, 1998 (the "INDENTURE") between the Company and The Bank of New York, as Trustee.

We have examined originals or copies, certified or otherwise identified to our satisfaction, of such documents and records and have made such investigation of fact and such examination of law as we have deemed appropriate in order to enable us to render the opinion set forth herein. In conducting such investigation, we have relied, without independent verification, upon certificates of officers of the Company, public officials and other appropriate persons.

The opinion expressed herein is limited to matters governed by the laws of the State of New York.

Based upon the foregoing and assuming that the Indenture has been duly authorized, executed and delivered by the parties thereto, we are of the opinion that, when the Registration Statement has become effective under the Securities Act, the terms of the Debt Securities and of their issuance and sale have been duly established in conformity with the Indenture so as not to violate any applicable law or result in a default under or breach of any agreement or instrument binding upon the Company and so as to comply with any requirement or restriction imposed by any court or governmental body having jurisdiction over the Company, and the Debt Securities have been duly executed, authenticated and delivered in accordance with the Indenture against payment of the purchase price therefor and issued and sold as contemplated by the Registration Statement, the Debt Securities will constitute the valid and binding obligations of the Company, subject to (i) bankruptcy, insolvency, reorganization, moratorium and other similar laws of general application affecting the rights and remedies of creditors, and (ii) general principles of equity, regardless of whether applied in proceedings in equity or at law.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the use of our name therein and in the related prospectus under the caption "Legal Matters."

2

Very truly yours,

/s/ ROPES & GRAY

Ropes & Gray

EX-23.1 OTHERDOC
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CONSENT OF PRICEWATERHOUSECOOPERS LLP

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Exhibit 23.1

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

We hereby consent to the incorporation by reference in this Registration Statement on Form S-3 of our report dated January 14, 2000 relating to the financial statements and financial statement schedules, which appears in Tampa Electric Company's Annual Report on Form 10-K for the year ended December 31, 1999. We also consent to the reference to us under the heading "Experts" in such Registration Statement.

/s/ PricewaterhouseCoopers LLP

Tampa, FL

February 5, 2001

EX-25.1 OTHERDOC
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b38102teex25-1.txt
STATEMENT OF ELIGIBILITY OF TRUSTEE ON FORM T-1

1

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Exhibit 25.1

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FORM T-1

SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

STATEMENT OF ELIGIBILITY
UNDER THE TRUST INDENTURE ACT OF 1939 OF A
CORPORATION DESIGNATED TO ACT AS TRUSTEE

CHECK IF AN APPLICATION TO DETERMINE
ELIGIBILITY OF A TRUSTEE PURSUANT TO
SECTION 305(b)(2) |__|

THE BANK OF NEW YORK

(Exact name of trustee as specified in its charter)

New York (State of incorporation if not a U.S. national bank)	13-5160382 (I.R.S. employer identification no.)
One Wall Street, New York, N.Y. (Address of principal executive offices)	10286 (Zip code)

The Bank of New York
10161 Centurion Parkway
Jacksonville, Florida 32256
Attn: Ms. Sharon L. Atkinson
(904) 645-1991
(Name, address and telephone number of agent for service)

TAMPA ELECTRIC COMPANY
(Exact name of obligor as specified in its charter)

Florida (State or other jurisdiction of incorporation or organization)	59-0475140 (I.R.S. employer identification no.)
TECO Plaza 702 North Franklin Street Tampa, Florida (Address of principal executive offices)	33602 (Zip code)

Debt Securities
(Title of the indenture securities)

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1. GENERAL INFORMATION. FURNISH THE FOLLOWING INFORMATION AS TO THE TRUSTEE:

(a) NAME AND ADDRESS OF EACH EXAMINING OR SUPERVISING AUTHORITY TO WHICH IT IS SUBJECT.

Name	Address
Superintendent of Banks of the State of New York, N.Y.	2 Rector Street, New York, N.Y. 10006, and Albany, N.Y. 12203
Federal Reserve Bank of New York	33 Liberty Plaza, New York, N.Y. 10045
Federal Deposit Insurance Corporation	Washington, D.C. 20429
New York Clearing House Association	New York, New York 10005

(b) WHETHER IT IS AUTHORIZED TO EXERCISE CORPORATE TRUST POWERS.

Yes.

2. AFFILIATIONS WITH OBLIGOR.

IF THE OBLIGOR IS AN AFFILIATE OF THE TRUSTEE, DESCRIBE EACH SUCH AFFILIATION.

None.

16. LIST OF EXHIBITS.

EXHIBITS IDENTIFIED IN PARENTHESES BELOW, ON FILE WITH THE COMMISSION, ARE INCORPORATED HEREIN BY REFERENCE AS AN EXHIBIT HERETO, PURSUANT TO RULE 7a-29 UNDER THE TRUST INDENTURE ACT OF 1939 (THE "ACT") AND 17 C.F.R. 229.10(d).

1. A copy of the Organization Certificate of The Bank of New York

(formerly Irving Trust Company) as now in effect, which contains the authority to commence business and a grant of powers to exercise corporate trust powers. (Exhibit 1 to Amendment No. 1 to Form T-1 filed with Registration Statement No. 33-6215, Exhibits 1a and 1b to Form T-1 filed with Registration Statement No. 33-21672 and Exhibit 1 to Form T-1 filed with Registration Statement No. 33-29637.)

4. A copy of the existing By-laws of the Trustee. (Exhibit 4 to Form T-1 filed with Registration Statement No. 33-31019.)

6. The consent of the Trustee required by Section 321(b) of the Act. (Exhibit 6 to Form T-1 filed with Registration Statement No. 33-44051.)

7. A copy of the latest report of condition of the Trustee published pursuant to law or to the requirements of its supervising or examining authority.

SIGNATURE

Pursuant to the requirements of the Act, the Trustee, The Bank of New York, a corporation organized and existing under the laws of the State of New York, has duly caused this statement of eligibility to be signed on its behalf by the undersigned, thereunto duly authorized, all in The City of Jacksonville, and State of Florida, on the 26th day of January, 2001.

THE BANK OF NEW YORK

By: /s/ SHARON ATKINSON

Name: SHARON ATKINSON, AGENT

EXHIBIT 7

Consolidated Report of Condition of

THE BANK OF NEW YORK

of One Wall Street, New York, N.Y. 10286
And Foreign and Domestic Subsidiaries,
a member of the Federal Reserve System, at the close of business September 30, 2000, published in accordance with a call made by the Federal Reserve Bank of this District pursuant to the provisions of the Federal Reserve Act.

ASSETS	Dollar Amounts In Thousands
Cash and balances due from depository institutions:	

Noninterest-bearing balances and currency and coin	$ 4,194,838
Interest-bearing balances	4,596,320
Securities:	
Held-to-maturity securities	837,052
Available-for-sale securities	4,877,379
Federal funds sold and Securities purchased under agreements to resell	3,085,401
Loans and lease financing receivables:	
Loans and leases, net of unearned income	37,707,721
LESS: Allowance for loan and lease losses	598,990
LESS: Allocated transfer risk reserve	12,370
Loans and leases, net of unearned income, allowance, and reserve	37,096,361
Trading Assets	10,039,718
Premises and fixed assets (including capitalized leases)	740,743
Other real estate owned	4,714
Investments in unconsolidated subsidiaries and associated companies	178,845
Customers' liability to this bank on acceptances outstanding	887,442
Intangible assets	1,353,079
Other assets	4,982,250
Total assets	$72,874,142

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LIABILITIES	
Deposits:	
In domestic offices	$ 26,812,643
Noninterest-bearing	11,206,758
Interest-bearing	15,605,885
In foreign offices, Edge and Agreement subsidiaries, and IPFs	26,338,068
Noninterest-bearing	520,061
Interest-bearing	25,818,007
Federal funds purchased and Securities sold under agreements to repurchase	1,789,285
Demand notes issued to the U.S.Treasury	100,000
Trading liabilities	2,440,940
Other borrowed money:	
With remaining maturity of one year or less	1,581,151
With remaining maturity of more than one year through three years	0
With remaining maturity of more than three years	31,080
Bank's liability on acceptances executed and outstanding	889,948
Subordinated notes and debentures	1,652,000
Other liabilities	4,914,363
Total liabilities	66,549,478
EQUITY CAPITAL	
Common stock	1,135,285
Surplus	988,327
Undivided profits and capital reserves	4,242,906
Net unrealized holding gains (losses) on available-for-sale securities	(11,848)
Accumulated net gains (losses) on cash flow hedges	0
Cumulative foreign currency translation adjustments	(30,006)
Total equity capital	6,324,664

Total liabilities and equity capital	$ 72,874,142

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I, Thomas J. Mastro, Senior Vice President and Comptroller of the above-named bank do hereby declare that this Report of Condition has been prepared in conformance with the instructions issued by the Board of Governors of the Federal Reserve System and is true to the best of my knowledge and belief.

Thomas J. Mastro

We, the undersigned directors, attest to the correctness of this Report of Condition and declare that it has been examined by us and to the best of our knowledge and belief has been prepared in conformance with the instructions issued by the Board of Governors of the Federal Reserve System and is true and correct.

Thomas A. Renyi -
Gerald L. Hassell - Directors
Alan R. Griffith -

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549

FORM 10-K

(Mark One)

_X_ Annual Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the fiscal year ended December 31, 2000

OR

___ Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934
For the transition period from _____ to _____

Commission File Number 1-5007

TAMPA ELECTRIC COMPANY

(Exact name of registrant as specified in its charter)

FLORIDA	59-0475140
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification Number)
TECO Plaza **702 N. Franklin Street** **Tampa, Florida** (Address of principal executive offices)	33602 (Zip Code)

Registrant's telephone number, including area code: (813)228-4111

Securities registered pursuant to Section 12(b) of the Act: **NONE**

Securities registered pursuant to Section 12(g) of the Act: **NONE**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.
YES _X_ NO ___

Indicate by check mark if disclosure of delinquent filers pursuant to Item 405 of Regulation S-K is not contained herein, and will not be contained, to the best of registrant's knowledge, in definitive proxy or information statements incorporated by reference in Part III of this Form 10-K or any amendment to this Form 10-K. _X_

The aggregate market value of the voting stock held by nonaffiliates of the registrant as of February 28, 2001 was zero.

As of February 28, 2001, there were 10 shares of the registrant's common stock issued and outstanding, all of which were held, beneficially and of record, by TECO Energy, Inc.

DOCUMENTS INCORPORATED BY REFERENCE
None

The registrant meets the conditions set forth in General Instruction (I) (1) (a) and (b) of Form 10-K and is therefore filing this form with the reduced disclosure format.

Index to Exhibits appears on page 44

PART I

Item 1. BUSINESS.

Tampa Electric Company (the company) was incorporated in Florida in 1899 and was reincorporated in 1949. As a result of a restructuring in 1981, the company became a wholly owned subsidiary of TECO Energy, Inc. (TECO Energy), a diversified energy-related holding company. In 1997, TECO Energy acquired Lykes Energy, Inc. As part of this acquisition, Lykes' regulated gas distribution utility was merged into the company and now operates as the Peoples Gas System division of Tampa Electric Company (Peoples Gas System or PGS).

Tampa Electric Company is a public utility operating within the state of Florida. Through its Tampa Electric division (Tampa Electric), it is engaged in the generation, purchase, transmission, distribution and sale of electric energy; through its Peoples Gas System division (PGS), it is engaged in the purchase, distribution and sale of natural gas for residential, commercial, industrial and electric power generation customers wholly in the State of Florida.

Tampa Electric's retail electric service territory comprises an area of about 2,000 square miles in West Central Florida, including Hillsborough County and parts of Polk, Pasco and Pinellas Counties, and has an estimated population of over one million. Tampa Electric provides electric service to more than 568,000 customers. The principal communities served are Tampa, Winter Haven, Plant City and Dade City. In addition, Tampa Electric engages in wholesale sales to utilities and other resellers of electricity. It has three electric generating stations in or near Tampa, one electric generating station in southwestern Polk County, Florida and two electric generating stations (one of which is on long-term standby) located near Sebring, a city located in Highlands County in South Central Florida

PGS, with more than 262,000 customers, has operations in Florida's major metropolitan areas. Annual natural gas throughput (the amount of gas delivered to its customers including transportation only service) in 2000 was 1.1 billion therms.

Power Engineering & Construction, Inc. (PEC), a Florida corporation formed in late 1996, is a wholly owned subsidiary of Tampa Electric Company and is engaged in engineering and construction services with principal focus on power facilities not owned or operated by Tampa Electric. Operations of PEC in 2000 were not significant.

TAMPA ELECTRIC--Electric Operations

Tampa Electric had 2,885 employees as of Dec. 31, 2000, of which 1,019 were represented by the International Brotherhood of Electrical Workers (IBEW) and 347 by the Office and Professional Employees International Union (OPEIU).

In 2000, approximately 45 percent of Tampa Electric's total operating revenue was derived from residential sales, 28 percent from commercial sales, 9 percent from industrial sales and 18 percent from other sales including bulk power sales for resale.

The sources of electric operating revenue and megawatt-hour sales for 2000 were as follows:

Operating revenue (millions)	2000
Residential	$ 613.3
Commercial	377.1
Industrial-Phosphate	61.6
Industrial-Other	62.6
Other retail sales of electricity	95.0
Sales for resale	109.1
Deferred revenues	--
Other	35.1
	$1,353.8

Megawatt-hour Sales (thousands)	2000
Residential	7,369
Commercial	5,541
Industrial	2,390
Other retail sales of electricity	1,338
Sales for resale	2,564
	19,202

No significant part of Tampa Electric's business is dependent upon a single customer or a few customers, the loss of any one or more of whom would have a significantly adverse effect on Tampa Electric. IMC-Agrico, a large phosphate producer, is Tampa Electric's largest customer, representing less than 3 percent of Tampa Electric's 2000 base revenues.

Tampa Electric's business is not highly seasonal, but winter peak loads are experienced due to fewer daylight hours and colder temperatures, and summer peak loads are experienced due to use of air conditioning and other cooling equipment.

Regulation

The retail operations of Tampa Electric are regulated by the Florida Public Service Commission (FPSC), which has jurisdiction over retail rates, quality of service and reliability, issuances of securities, planning, siting and construction of facilities, accounting and depreciation practices, and other matters.

In general, the FPSC's pricing objective is to set rates at a level that allows the utility to collect total revenues (revenue requirements) equal to its cost of providing service, plus a reasonable return on invested capital.

The costs of owning, operating and maintaining the utility system, other than fuel, purchased power, conservation and certain environmental costs, are recovered through base rates. These costs include operation and maintenance expenses, depreciation and taxes, as well as a return on Tampa Electric's investment in assets used and useful in providing electric service (rate base). The rate of return on rate base, which is intended to approximate Tampa Electric's weighted cost of capital, primarily includes its costs for debt, deferred income taxes at a zero cost rate and an allowed return on common equity. Base rates are determined in FPSC rate setting hearings which occur at irregular intervals at the initiative of Tampa Electric, the FPSC or other parties. See the discussion of the FPSC-approved agreements covering 1995 through 1999 in the **Utility Regulation -- Rate Stabilization** section on page 17.

Fuel, purchased power, conservation and certain environmental costs are recovered through levelized monthly charges established pursuant to the FPSC's cost recovery clauses. These charges, which are reset annually in an FPSC proceeding, are based on estimated costs of fuel, environmental compliance, conservation programs and purchased power and estimated customer usage for a specific recovery period, with a true-up adjustment to reflect the variance of actual costs from the projected charges. The FPSC may disallow recovery of any costs that it considers imprudently incurred.

Tampa Electric is also subject to regulation by the Federal Energy Regulatory Commission (FERC) in various respects including wholesale power sales, certain wholesale power purchases, transmission services, and accounting and depreciation practices. See **Utility Regulation -- Regional Transmission Organization** section on pages 18 and 19.

Federal, state and local environmental laws and regulations cover air quality, water quality, land use, power plant, substation and transmission line siting, noise and aesthetics, solid waste and other environmental matters. See **Environmental Matters** on pages 5 and 6.

TECO Transport Corporation's (TECO Transport) and TECO Power Services Corporation's (TECO Power Services) subsidiaries sell transportation services, and generating capacity and energy, respectively, to Tampa Electric in addition to other third parties. The transactions between Tampa Electric and these affiliates and the prices paid by Tampa Electric are subject to regulation by the FPSC and FERC, and any charges deemed to be imprudently incurred may be disallowed for recovery from Tampa Electric's customers.

Competition

Tampa Electric's retail electric business is substantially free from direct competition with other electric utilities, municipalities and public agencies. At the present time, the principal form of competition at the retail level consists of natural gas and propane for residential and commercial customers and self-generation which is available to larger users of electric energy. Such users may seek to expand their options through various initiatives including legislative and/or regulatory changes that would permit competition at the retail level. Tampa Electric intends to take all appropriate actions to retain and expand its retail business, including managing costs and providing high-quality service to retail customers.

In 1999, the FERC approved a market-based sales tariff for Tampa Electric which allows Tampa Electric to sell excess power at market prices within Florida. The Federal Energy Regulatory Commission (FERC) had already approved market-based prices for interstate sales for Tampa Electric and the other investor-owned utilities (IOUs) operating in the state; however, Tampa Electric is the only IOU with intrastate market-based sales authority.

There is presently active competition in the wholesale power markets in Florida, and this is increasing largely as a result of the Energy Policy Act of 1992 and related federal initiatives. This Act removed for independent power producers certain regulatory barriers and required utilities to transmit power from such producers, utilities and others to wholesale customers as more fully described below.

In April 1996, the FERC issued its Final Rule on Open Access Non-discriminatory Transmission, Stranded Costs, Open Access Same-time Information System (OASIS) and Standards of Conduct. This rule works together to open access for wholesale power flows on transmission systems. Utilities such as Tampa Electric owning transmission facilities are required to provide services to wholesale transmission customers comparable to those they provide to themselves on comparable terms and conditions including price. Among other things, the rules require transmission services to be unbundled from power sales and owners of transmission systems must take transmission service under their own transmission tariffs.

Transmission system owners are also required to implement an OASIS system providing, via the Internet, access to transmission service information (including price and availability), and to rely exclusively on their own OASIS system for such information for purposes of their own wholesale power transactions. To facilitate compliance, owners must implement Standards of Conduct to ensure that personnel involved in marketing wholesale power are functionally separated from personnel involved in transmission services and reliability functions. Tampa Electric, together with other utilities, has implemented an OASIS system and believes it is in compliance with the Standards of Conduct.

In December 1999, the FERC issued Order No. 2000, dealing with Regional Transmission Organizations (RTOs). This rule is driven by the FERC's continuing effort to effect open access to transmission facilities in large, regional markets. In an October 2000 FERC filing, Tampa Electric agreed with the other IOUs operating in Florida to form an RTO to be known as GridFlorida LLC. As proposed, the RTO will independently control the transmission assets of the filing utilities, as well as other utilities in the region that choose to join. The RTO will be an independent, investor-owned organization that will have control of the planning and operations of the bulk power transmission systems of the utilities within peninsular Florida. The three filing utilities represent almost 80 percent of the aggregate net energy load in the region for the year 2000. Tampa Electric has filed to inform the FERC that it planned to contribute its transmission assets to the RTO. See **Utility Regulation -- Regional Transmission Organization** section on pages 18 and 19 for a further description.

Florida Governor Jeb Bush established the 2020 Energy Study Commission in 2000 to address several issues by December 2001, including current and future reliability of electric and natural gas supply, emerging energy supply and delivery options, electric industry competition, environmental impacts of energy supply, energy conservation and fiscal impacts of energy supply options on taxpayers and energy providers. The Study Commission's recent recommendation to Governor Bush includes, among others provisions, elimination of barriers to entry for merchant power generators, an open competitive wholesale electric market, transfer of regulated generating assets to unregulated affiliates or sale to other, Florida electric system reliability and consumer protection. See **Utility Competition: Electric** on page 18 for a further description of proposed projects and the issues involved.

Fuel

Approximately 97 percent of Tampa Electric's generation for 2000 was coal-fired, with oil and natural gas representing the remaining 2-percent and 1-percent, respectively. Tampa Electric used its generating units to meet approximately 86-percent of the system load requirements with the remaining 14-percent coming from purchased power. A slightly lower level of coal generation as a percentage of total generation is anticipated for 2001.

Tampa Electric's average delivered fuel cost per million BTU and average delivered cost per ton of coal burned for 2000 were as follows:

Average cost per million BTU:	**2000**
Coal	$ 1.92
Oil	$ 5.33
Gas (Natural)	$ 5.49
Composite	$ 2.07
Average cost per ton of coal burned	$44.36

Tampa Electric's generating stations burn fuels as follows: Gannon Station burns low-sulfur coal; Big Bend Station, which has sulfur dioxide scrubber capabilities, burns a combination of low-sulfur coal and coal of a somewhat higher sulfur content; Polk Power Station burns high-sulfur coal which is gasified subject to sulfur removal prior to combustion, natural gas and oil; Hookers Point Station burns low-sulfur oil; and Phillips Station burns oil of a somewhat higher sulfur content.

Coal. Tampa Electric used approximately 7.6 million tons of coal during 2000 and estimates that its coal consumption will be about 7.5 million tons for 2001. During 2000, Tampa Electric purchased approximately 61 percent of its coal under long-term contracts with five suppliers, and 39 percent of its coal in the spot market. During 1999, Tampa Electric purchased approximately 64 percent of its coal under long-term contracts with six suppliers, and 36 percent of its coal in the spot market or under intermediate-term purchase agreements. Tampa Electric expects to obtain approximately 54 percent of its coal requirements in 2001 under long-term contracts with five suppliers and the remaining 46 percent in the spot market. Tampa Electric's remaining

long-term coal contracts provide for revisions in the base price to reflect changes in a wide range of cost factors and for suspension or reduction of deliveries if environmental regulations should prevent Tampa Electric from burning the coal supplied, provided that a good faith effort has been made to continue burning such coal.

In 2000, about 65 percent of Tampa Electric's coal supply was deep-mined, approximately 31 percent was surface-mined and the remainder was a processed oil by-product known as petroleum coke. Federal surface-mining laws and regulations have not had any material adverse impact on Tampa Electric's coal supply or results of its operations. Tampa Electric, however, cannot predict the effect of any future mining laws and regulations. Although there are reserves of surface-minable coal dedicated by suppliers to Tampa Electric's account, high-quality coal reserves in Kentucky that can be economically surface-mined are being depleted and in the future more coal will be deep-mined.

Oil. Tampa Electric had supply agreements through Dec. 31, 2000 for No. 2 fuel oil and No. 6 fuel oil for its Polk, Hookers Point and Phillips stations, and its four combustion turbine units at prices based on Gulf Coast Cargo spot prices. Contracts for the supply of No. 2 and No. 6 fuel oil through Dec. 31, 2001 are expected to be finalized by March 31, 2001.

Natural Gas. As of December 2000, Tampa Electric had no gas contracts for the Polk 2 Unit as purchases were made on the spot market.

Franchises

Tampa Electric holds franchises and other rights that, together with its charter powers, give it the right to carry on its retail business in the localities it serves. The franchises are irrevocable and are not subject to amendment without the consent of Tampa Electric, although, in certain events, they are subject to forfeiture.

Florida municipalities are prohibited from granting any franchise for a term exceeding 30 years. If a franchise is not renewed by a municipality, the franchisee may choose to exercise its statutory right to require the municipality to purchase any and all property used in connection with the franchise at a valuation to be fixed by arbitration or, if arbitration is unsuccessful, by eminent domain. In addition, all of the municipalities except for the cities of Tampa and Winter Haven have reserved the right to purchase Tampa Electric's property used in the exercise of its franchise, if the franchise is not renewed.

Tampa Electric has franchise agreements with 13 incorporated municipalities within its retail service area. These agreements have various expiration dates ranging from December 2005 to September 2021.

Franchise fees payable by Tampa Electric, which totaled $22.3 million in 2000, are calculated using a formula based primarily on electric revenues.

Utility operations in Hillsborough, Pasco, Pinellas and Polk Counties outside of incorporated municipalities are conducted in each case under one or more permits to use county rights-of-way granted by the county commissioners of such counties. There is no law limiting the time for which such permits may be granted by counties. There are no fixed expiration dates for the Hillsborough County and Pinellas County agreements. The agreements covering electric operations in Pasco and Polk counties expire in 2033 and 2005, respectively.

Environmental Matters

Tampa Electric met the environmental compliance requirements for the Phase I emission limitations imposed by the Clean Air Act Amendments (CAAA) which became effective Jan. 1, 1995 by using blends of lower-sulfur coal, integrating the Big Bend Unit Four flue gas desulfurization (FGD), or scrubber, system with Unit Three, implementing operational modifications and purchasing emission allowances. For Phase II, which began Jan. 1, 2000, further reductions in sulfur dioxide (SO2) and nitrogen oxide (NOx) emissions were required. To comply with the Phase II SO2 requirements, Tampa Electric installed a new scrubber system at Big Bend Units One and Two and will rely less on fuel blending and SO2 allowance purchases. The $83-million scrubber was placed in service on Dec. 30, 1999 and has significantly reduced the amount of SO2 emitted by Tampa Electric's Big Bend Units One and Two. As a result of this project, all of the units at Big Bend Station, Tampa Electric's largest generating station, are equipped with scrubber technology. In order to comply with the Phase II NOx emission limits on a system wide average, Tampa Electric has implemented combustion optimization projects at Big Bend and Gannon stations.

On Feb. 29, 2000, Tampa Electric Company, the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Justice announced they had resolved the federal agencies' pending enforcement actions filed in 1999 against Tampa Electric. The resolution was in the form of a consent decree, which became effective Oct. 5, 2000 and has resulted in full and final settlement of the federal litigation and Notice of Violation alleging violations of New Source Review requirements of the Clean Air Act.

The consent decree is substantially the same as Tampa Electric's earlier agreement with the Florida Department of Environmental Protection (DEP) with respect to environmental controls and pollution reductions reached on Dec. 7, 1999; however, it contains specific detail with respect to the availability of the scrubbers and earlier incremental nitrogen oxide NOx reduction efforts on Big Bend Units One, Two and Three. Under the consent decree, Tampa Electric is committed to a comprehensive program that will dramatically decrease emissions from the company's power plants. A significant component of the program is the repowering of certain Gannon Station units with natural gas.

Engineering for the repowering project began in January 2000, and the company anticipates that commercial operation for the first repowered unit will occur by May 1, 2003. The repowering of an additional unit is scheduled to be completed by May 1, 2004. When these units are repowered, the station will be renamed the Bayside Power Station and will have an increased total station capacity of about 1,800 megawatts (nominal) of natural gas-fueled electric energy.

Tampa Electric filed petitions with the FPSC to seek cost recovery for various environmental projects required by the consent decree. The petitions sought cost recovery through the Environmental Cost Recovery Clause for costs incurred to improve the availability and removal efficiency for its Big Bend One, Two and Three scrubbers, to reduce particulate matter emissions, and to reduce NO_x emissions. In November, the FPSC approved the recovery of these types of costs through customers' bills starting January 2001.

Tampa Electric Company is a potentially responsible party for certain superfund sites and, through its Peoples Gas System division, for certain former manufactured gas plant sites. (See discussion in People's Gas **Environmental Matters** section on page 9.) The environmental remediation costs associated with these sites are not expected to have a significant impact on customer prices.

Expenditures. During the five years ended Dec. 31, 2001, Tampa Electric spent $178.0 million on capital additions to meet environmental requirements. Tampa Electric spent an estimated $13.2 million in 2000 on environmental projects, including $6.3 million for Polk Power Station Unit One.

Environmental expenditures are estimated at $17.4 million for 2001. Environmental expenditures are estimated at $27.0 million in total for 2002 through 2005, including costs for continued improvement of the FGD system and other requirements of the EPA agreement.

The completion of the FGD system on Big Bend Units One and Two and the improved environmental performance resulting from combustion tuning and boiler modifications at Gannon and Big Bend Stations have enabled Tampa Electric to reduce SO_2 and NO_x emissions and comply with the Phase II requirements of the Clean Air Act Amendments. Tampa Electric spent approximately $83 million to complete the Big Bend Units One and Two FGD system to reduce SO_2 emissions and approximately $10 million for NO_x reductions.

PEOPLES GAS SYSTEM--Gas Operations

PGS is engaged in the purchase, distribution and marketing of natural gas for residential, commercial, industrial and electric power generation customers in the State of Florida.

PGS has no gas reserves, but relies on two interstate pipelines to receive gas for sale or other delivery to customers connected to its distribution system. PGS does not engage in the exploration for or production of natural gas. Currently, PGS operates a natural gas distribution system that serves almost 260,000 customers. The system includes approximately 8,100 miles of mains and over 4,800 miles of service lines.

In 2000, the total throughput for PGS was 1.1 billion therms. Of this total throughput, 20 percent was gas purchased and resold to retail customers by PGS, 72 percent was third-party supplied gas delivered for retail customers, and 8 percent was gas sold off-system. Industrial and power generation customers consumed approximately 69 percent of PGS' annual therm volume. Commercial customers used approximately 26 percent, with the balance consumed by residential customers.

While the residential market represents only a small percentage of total therm volume, residential operations generally comprise 23 percent of total revenues. New residential construction and conversions of existing residences to gas have steadily increased since the late 1980's.

Natural gas has historically been used in many traditional industrial and commercial operations throughout Florida, including production of products such as steel, glass, ceramic tile and food products. Gas climate control technology is expanding throughout Florida, and commercial/industrial customers including schools, hospitals, office complexes and churches are utilizing this technology.

Within the PGS operating territory, large cogeneration facilities utilize gas-fired technology in the production of electric power and steam. Over the past three years, the company has transported, on average, about 264 million therms annually to facilities involved in cogeneration.

Revenues and therms for PGS for 2000, are as follows:

	Revenues	Therms
(millions)	2000	2000
Residential	$ 73.2	57.6
Commercial	145.8	292.1
Industrial	51.7	374.1
Power generation	10.7	418.6
Other revenues	33.0	-
Total	$314.4	1,142.4

PGS had 697 employees as of Dec. 31, 2000. A total of 75 employees in six of the company's 13 operating divisions are represented by various union organizations.

Regulation

The operations of PGS are regulated by the FPSC separate from the regulation of Tampa Electric's electric operations. The FPSC has jurisdiction over rates, service, issuance of securities, safety, accounting and depreciation practices, and other matters.

In general, the FPSC sets rates at a level that allows a utility such as PGS to collect total revenues (revenue requirements) equal to its cost of providing service, plus a reasonable return on invested capital.

The basic costs of providing natural gas service, other than the costs of purchased gas and interstate pipeline capacity, are recovered through base rates. Base rates are designed to recover the costs of owning, operating and maintaining the utility system. The rate of return on rate base, which is intended to approximate PGS' weighted cost of capital, primarily includes its cost for debt, deferred income taxes at a zero cost rate, and an allowed return on common equity. Base rates are determined in FPSC proceedings which occur at irregular intervals at the initiative of PGS, the FPSC or other parties.

PGS recovers the costs it pays for gas supply and interstate transportation for system supply through the Purchased Gas Adjustment (PGA) clause. This charge is designed to recover the costs incurred by PGS for purchased gas, and for holding and using interstate pipeline capacity for the transportation of gas it sells to its customers. These charges are adjusted monthly based on a cap approved annually in an FPSC hearing. The cap is based on estimated costs of purchased gas and pipeline capacity, and estimated customer usage for a specific recovery period, with a true-up adjustment to reflect the variance of actual costs and usage from the projected charges for prior periods. In 2000, PGS received FPSC approval for a mid-course adjustment to raise the cap due to the increased cost of gas supply. In January 2001, PGS notified the FPSC that it anticipated that its PGA factors approved in December 2000 for 2001 were understated by approximately $63 million due to significantly higher natural gas prices. In February 2001, the FPSC approved PGS' request to increase rates to cover the $63 million under-recovery beginning in March 2001.

In addition to its base rates and purchased gas adjustment clause charges for system supply customers, PGS customers (except interruptible customers) also pay a per-therm charge for all gas consumed to recover the costs incurred by the company in developing and implementing energy conservation programs, which are mandated by Florida law and approved and supervised by the FPSC. PGS is permitted to recover, on a dollar-for-dollar basis, expenditures made in connection with these programs if it demonstrates that the programs are cost-effective for its ratepayers.

In February 2000, the FPSC approved a rule that would require natural gas utilities to offer transportation-only service to all non-residential customers. The rule required all investor-owned local distribution utilities under the jurisdiction of the FPSC to file Transportation Program Tariffs in July, 2000. The FPSC approved PGS' transportation program effective Nov. 1, called NaturalChoice.

Under the NaturalChoice program, PGS has two Transportation Service Riders available to non-residential customers. PGS' new Rider NCTS (Natural Choice Transportation Service) is an aggregation program available to all non-residential customers. Under Rider NCTS, PGS contracts with gas suppliers, called Pool Managers, to deliver gas to a group of commercial customers. The Pool Manager is financially responsible for its customers' gas plus any penalties. Under PGS' Rider ITS (Individual Transportation Service), customers who use more than 500,000 therms annually may contract directly with PGS to deliver their own gas supply. Customers who previously were transporting under Riders FTA and FTA-2 were transitioned to the new NCTS Transportation Service as of Nov. 1, 2000.

Peoples Gas had approximately 4,500 transportation customers as of Dec. 31, 2000. Peoples continues to receive its base rate for distribution regardless of whether a customer decided to opt for transportation service, or continue bundled service. It is, therefore, not expected that unbundling will have an adverse effect on PGS' earnings in the future.

In addition to economic regulation, PGS is subject to the FPSC's safety jurisdiction, pursuant to which the FPSC regulates the construction, operation and maintenance of PGS' distribution system. In general, the FPSC has implemented this by adopting the Minimum Federal Safety Standards and reporting requirements for pipeline facilities and transportation of gas prescribed by the U.S. Department of Transportation in Parts 191, 192 and 199, Title 49, Code of Federal Regulations.

PGS is also subject to Federal, state and local environmental laws and regulations pertaining to air and water quality, land use, noise and aesthetics, solid waste and other environmental matters.

Competition

PGS is not in direct competition with any other regulated distributors of natural gas for customers within its service areas. At the present time, the principal form of competition for residential and small commercial customers is from companies providing other sources of energy and energy services including fuel oil, electricity and in some cases liquid propane gas. PGS has taken actions to retain and expand its commodity and transportation business, including managing costs and providing high quality service to customers. The NCTS program that began in November 2000 is expected to improve the competitiveness of natural gas for commercial load.

Competition is most prevalent in the large commercial and industrial markets. In recent years, these classes of customers have been targeted by competing companies seeking to sell alternate fuels or transport gas through other facilities, thereby bypassing PGS facilities. Many of these competitors are larger natural gas marketers with a national presence. The FPSC has allowed PGS to adjust rates to meet competition for customers who use more than 100,000 therms annually..

Gas Supplies

PGS purchases gas from various suppliers depending on the needs of its customers. The gas is delivered to the PGS distribution system through two interstate pipelines on which PGS has reserved firm transportation capacity for further delivery by PGS to its customers.

Gas is delivered by Florida Gas Transmission Company (FGT) through more than 45 interconnections (gate stations) serving PGS' operating divisions. In addition, PGS' Jacksonville Division receives gas delivered by the South Georgia Natural Gas Company (South Georgia) pipeline through a gate station located northwest of Jacksonville.

Companies with firm pipeline capacity receive priority in scheduling deliveries during times when the pipeline is operating at its maximum capacity. PGS presently holds sufficient firm capacity to permit it to meet the gas requirements of its system commodity customers, except during localized emergencies affecting the PGS distribution system, and on abnormally cold days.

Firm transportation rights on an interstate pipeline represent a right to use the amount of the capacity reserved for transportation of gas, on any given day. PGS pays reservation charges on the full amount of the reserved capacity whether or not it actually uses such capacity on any given day. When the capacity is actually used, PGS pays a volumetrically-based usage charge for the amount of the capacity actually used. The levels of the reservation and usage charges are regulated by FERC. PGS actively markets any excess capacity available on a day-to-day basis to partially offset costs recovered through the Purchased Gas Adjustment Clause.

PGS procures natural gas supplies using base load and swing supply contracts with various suppliers along with spot market purchases. Pricing generally takes the form of either a variable price based on published indices, or a fixed price for the contract term.

Neither PGS nor any of the interconnected interstate pipelines have storage facilities in Florida. PGS occasionally faces situations when the demands of all of its customers for the delivery of gas cannot be met. In these instances, it is necessary that PGS interrupt or curtail deliveries to its interruptible customers. In general, the largest of PGS' industrial customers are in the categories that are first curtailed in such situations. PGS' tariff and transportation agreements with these customers give PGS the right to divert these customers' gas to other higher priority users during the period of curtailment or interruption. PGS pays these customers for such gas at the price they paid their suppliers, or at a published index price, and in either case pays the customer for charges incurred for interstate pipeline transportation to the PGS system.

Franchises

PGS holds franchise and other rights with approximately 90 municipalities throughout Florida. These include the cities of Jacksonville, Daytona Beach, Eustis, Fort Myers, Brooksville, Orlando, Tampa, St. Petersburg, Sarasota, Avon Park, Frostproof, Palm Beach Gardens, Pompano Beach, Fort Lauderdale, Hollywood, North Miami, Miami Beach, Miami, and Panama City. These franchises give PGS a right to occupy municipal rights-of-way within the franchise area.. The franchises are irrevocable and are not subject to amendment without the consent of PGS, although in certain events, they are subject to forfeiture.

Municipalities are prohibited from granting any franchise for a term exceeding 30 years. If a franchise is not renewed by a municipality, the franchisee may choose to exercise its statutory right to require the municipalities to purchase any and all property used in connection with the franchise at a valuation to be fixed by arbitration or, if arbitration is unsuccessful, by eminent domain. In addition, several franchises contain purchase options with respect to the purchase of PGS' property located in the franchise area, if the franchise is not renewed.

PGS' franchise agreements with the incorporated municipalities within its service area have various expiration dates ranging from April 2001 through April 2031.

In March 2000, the franchise agreement between the city of Lakeland (City) and PGS expired. The City has initiated legal proceedings seeking a declaration of the city's rights to acquire the PGS facilities under the franchise. PGS has filed defenses and counter claims and a hearing is scheduled for May 2001. (See **Legal Proceedings** section for further discussion)

While PGS believes it is best suited to serve the customers in the City, it cannot at this time predict the ultimate outcome of these activities. PGS is continuing to serve under substantially the same terms as contained in the franchise in the absence of other rules and regulations being adopted by the City. The Lakeland franchise contributed about $4 million of net revenue to PGS' results in 2000.

Franchise fees payable by PGS, which totaled $7.9 million in 2000, are calculated using various formulas which are based principally on natural gas revenues. Franchise fees are collected from only those customers within each franchise area.

Utility operations in areas outside of incorporated municipalities are conducted in each case under one or more permits to use county rights-of-way granted by the county commissioners of such counties. There is no law limiting the time for which such permits may be granted by counties. There are no fixed expiration dates and these rights are, therefore, considered perpetual.

Environmental Matters

PGS's operations are subject to federal, state and local statutes, rules and regulations relating to the discharge of materials into the environment and the protection of the environment generally that require monitoring, permitting and ongoing expenditures.

Tampa Electric Company is a potentially responsible party for certain superfund sites and, through its Peoples Gas System division, for certain former manufactured gas plant sites. While the joint and several liability associated with these sites presents the potential for significant response costs, Tampa Electric Company estimates its ultimate financial liability at approximately $22 million over the next 10 years. The environmental remediation costs associated with these sites are not expected to have a significant impact on customer prices.

Expenditures. During the five years ended Dec. 31, 2000, PGS has not incurred any material capital additions to meet environmental requirements, nor are any anticipated for 2001 through 2005.

Item 2. PROPERTIES.

The company believes that the physical properties are adequate to carry on its business as currently conducted. The properties are generally subject to liens securing long-term debt.

Electric Properties

At Dec. 31, 2000, Tampa Electric had five electric generating plants and four combustion turbine units in service with a total net winter generating capability of 3,960 megawatts, including Big Bend (18252-MW capability from four coal units), Gannon (1,230-MW capability from six coal units), Hookers Point (197-MW capability from five oil units), Phillips (36-MW capability from two diesel units), Polk (315-MW capability from one integrated gasification combined cycle unit (IGCC)) and four combustion turbine units located at the Big Bend, Polk and Gannon stations (357 MWs). The capability indicated represents the demonstrable dependable load carrying abilities of the generating units during winter peak periods as proven under actual operating conditions. Units at Hookers Point went into service from 1948 to 1955, at Gannon from 1957 to 1967, and at Big Bend from 1970 to 1985. The Polk IGCC unit began commercial operation in September 1996. In 1991, Tampa Electric purchased two power plants (Dinner Lake and Phillips) from the Sebring Utilities Commission (Sebring). Dinner Lake (11-MW capability from one natural gas unit) and Phillips were placed in service by Sebring in 1966 and 1983, respectively. In March 1994, Dinner Lake Station was placed on long-term reserve standby.

Engineering for repowering Gannon Station began in January 2000, (see **Environmental Compliance** section) and the company anticipates that commercial operation for the first repowered unit will occur by May 1, 2003. The repowering of an additional unit is scheduled to be completed by May 1, 2004. When these units are repowered, the station will be renamed the Bayside Power Station. Total station capacity is expected to increase to about 1,800 megawatts.

Tampa Electric owns 184 substations having an aggregate transformer capacity of 16,952,772 KVA. The transmission system consists of approximately 1,211 pole miles of high voltage transmission lines, and the distribution system consists of 6,967 pole miles of overhead lines and 2,927 trench miles of underground lines. As of Dec. 31, 2000, there were 568,350 meters in service. All of this property is located in Florida.

All plants and important fixed assets are held in fee except that title to some of the properties is subject to easements, leases, contracts, covenants and similar encumbrances and minor defects, of a nature common to properties of the size and character of those of Tampa Electric.

Tampa Electric has easements for rights-of-way adequate for the maintenance and operation of its electrical transmission and distribution lines that are not constructed upon public highways, roads and streets. It has the power of eminent domain under Florida law for the acquisition of any such rights-of-way for the operation of transmission and distribution lines. Transmission and distribution lines located in public ways are maintained under franchises or permits.

Tampa Electric has a long-term lease for its office building in downtown Tampa which serves as headquarters for TECO Energy, Tampa Electric and numerous other TECO Energy subsidiaries.

Gas Properties

PGS' distribution system extends throughout the areas it serves in Florida, and consists of approximately 12,400 miles of pipe, including approximately 8,200 miles of mains and over 4,200 miles of service lines.

PGS' operating divisions are located in thirteen markets throughout Florida. While most of the operations, storage and administrative facilities are owned, a small number are leased.

Item 3. LEGAL PROCEEDINGS.

On Feb. 29, 2000, Tampa Electric Company, the U.S. Environmental Protection Agency (EPA) and the U.S. Department of Justice announced they had resolved the federal agencies' pending enforcement actions filed in 1999 against Tampa Electric. The resolution was in the form of a consent decree, which became effective Oct. 5, 2000 and has resulted in full and final settlement of the federal litigation and Notice of Violation alleging violations of New Source Review (NSR) requirements of the Clean Air Act.

In 2000, the City of Lakeland notified PGS that it intended to begin negotiations to exercise its right to purchase PGS' property consisting of approximately 200 miles of gas lines in the Lakeland franchise area when its franchise agreement with PGS expired in March 2000. PGS serves approximately 5,000 customers in Lakeland. In August 2000, the City of Lakeland filed a Complaint for Declaratory and Injunctive Relief against PGS. After an October 2000 hearing on a Motion to Dismiss Complaint filed by PGS, the City of Lakeland agreed to amend its complaint. In November 2000, the City of Lakeland filed an Amended Complaint for Declaratory and Injunctive Relief seeking a declaration of the City's rights to acquire PGS' facilities under the franchise and seeking restrictions on the Company's gas operations within the City. PGS has filed defenses and counter claims and a hearing is scheduled for May 2001. While PGS believes it is best suited to serve the customers in the City, it cannot at this time predict the ultimate outcome of these activities. PGS is continuing to serve under substantially the same terms as contained in the franchise in the absence of other rules and regulations being adopted by the city.

PART II

Item 5. MARKET FOR THE REGISTRANT'S COMMON EQUITY AND RELATED STOCKHOLDER MATTERS.

All of the company's common stock is owned by TECO Energy, Inc. and therefore, there is no market for the stock.

The company pays dividends substantially equal to its net income applicable to common stock to TECO Energy. Such dividends totaled $151.2 million in 2000 and $149.5 million for 1999. See Note C on page 31 for a description of restrictions on dividends on the company's common stock.

Item 7. MANAGEMENT'S NARRATIVE ANALYSIS OF RESULTS OF OPERATIONS.

The Management's Narrative Analysis of Results of Operations which follows contains forward-looking statements which are subject to the inherent uncertainties in predicting future results and conditions. Certain factors that could cause actual results to differ materially from those projected in these forward-looking statements include the following: general economic conditions, particularly those in Tampa Electric Company's service areas affecting energy sales; weather variations affecting energy sales and operating costs; potential competitive changes in the electric and gas industries, particularly in the area of retail competition; regulatory actions; commodity price changes affecting the competitive positions of both Tampa Electric and Peoples Gas System; and changes in and compliance with environmental regulations that may impose additional costs or curtail some activities. These factors are discussed more fully under "Investment Considerations" in TECO Energy Inc.'s Annual Report on Form 10-K for the year ended Dec. 31, 2000, and reference is made thereto.

EARNINGS SUMMARY:

Net income for 2000 of $166.3 million increased 15 percent from the prior year results of $144.9 million and 5 percent from the prior year results of $158.6 million before certain charges described in the **Charges to Earnings** section below. The increase reflects the strong revenue growth in 2000 and the charges in 1999 described in the **Charges to Earnings** section.. Net income in 1999 declined 1 percent from 1998's results due primarily to the impact of previously deferred revenues and the charges described in the **Charges to Earnings** section. For a description of the origination and treatment of deferred revenues, see **Utility Regulation - Rate Stabilization Strategy** section.

Operating income, excluding charges described in the **Charges to Earnings** section, increased 9 percent in 2000 primarily reflecting continued strong customer growth and favorable weather in the electric and gas businesses. Operating income in 1999 reflected the deferral of $11.9 million of electric revenues compared to the recognition of $38.3 million of previously deferred revenues in 1998. See **Utility Regulation - Rate Stabilization Strategy** section.

Earnings in 1999 and 1998 were affected by certain events and adjustments that were unusual in nature and resulted in charges which are not expected to recur in future periods. These charges are described in the **Charges to Earnings** section on page 11 and from a regulatory ruling denying recovery of coal expenses over an established benchmark for coal purchases from Gatliff since 1992 (described in the **Tampa Electric - Electric Operating Results** section).

Contributions by Operating Division

(millions)	2000	Change	1999	Change	1998
Operating income					
Tampa Electric	$211.0	8.2%	$195.0 (1)	-4.1%	$203.4 (2)
Peoples Gas System	33.8	10.8%	30.5	18.2%	25.8
	244.8	8.6%	225.5	-1.6%	229.2
Non-recurring charge	--	--	7.9 (3)	--	(9.6) (4)
Total	$244.8	8.6%	$233.4	6.3%	$219.6

(1) Excludes a pretax credit of $7.9 million. See **Charges to Earnings** section on page 11.

(2) Excludes a pretax charge of $9.6 million for treatment of a wholesale contract. See **Charges to Earnings** section on page 12.

(3) Deferred revenue benefit recognized under the regulatory agreement related to the charge for tax settlement described in the **Charges to Earnings** section on page 11.

(4) Pretax charge for treatment of a wholesale contract, described in the **Charges to Earnings section** on page 12.

CHARGES TO EARNINGS

In 1999 and 1998 the company recognized certain charges that were unusual and nonrecurring in nature.

1999 Charges

The charges in 1999 totaled $18.3 million pretax ($13.7 million after tax) and consisted of the following:

Tampa Electric recorded a charge of $10.5 million ($6.4 million after tax) based on FPSC audits of its 1997 and 1998 earnings, which among other things, limited its regulatory equity ratio to 58.7 percent, a decrease of 91 basis points and 224 basis points from 1997's and 1998's ratios, respectively.

Tampa Electric also recorded a charge of $3.5 million after tax, representing management's estimate of additional expense to resolve the litigation filed by the United States Environmental Protection Agency.

A net after-tax charge, after recovery under the then current regulatory agreement totaling $3.8 million was also recognized reflecting corporate income tax provisions and settlements related to prior years' tax returns.

1998 Charges

In 1998, Tampa Electric recognized charges totaling $16.9 million, pretax ($10.3 million, after tax). These charges consisted of the following:

The FPSC in September 1997 ruled that under the regulatory agreements effective through 1999 the costs associated with two long-term wholesale power sales contracts should be assigned to the wholesale jurisdiction and that for retail rate making purposes the costs transferred from retail to wholesale should reflect average costs rather than the lower incremental costs on which the two contracts are based. As a result of this decision and the related reduction of the retail rate base upon which Tampa Electric is allowed to earn a return, these contracts became uneconomic. One contract was terminated in 1997. As to the other contract, which expires in March 2001, Tampa Electric entered into firm power purchase contracts with third parties to provide replacement power through 1999 and is no longer separating the associated generation assets from the retail jurisdiction. The cost of purchased power under these contracts exceeded the revenues expected through 1999. To reflect this difference, Tampa Electric recorded a $9.6 million charge ($5.9 million after tax) in 1998. In November 1999, the FPSC approved a company-proposed treatment for the remaining 14 ½ months of the contract that flows 100 percent of the revenues from the contract back to retail customers.

Tampa Electric also recorded a charge of $7.3 million ($4.4 million after tax) in other expense for an FPSC decision in 1998 denying recovery of certain BTU coal quality price adjustments for coal purchases from TECO Coal since 1993.

Strategy and Outlook

Near-term expectations are that Tampa Electric and PGS are positioned to see growth in sales and earnings above the rate of customer growth which is estimated at about 2.5 percent and 5.5 percent, respectively. The expected growth at Tampa Electric is the result of a more favorable customer mix and return on investments made to support this growth.

Historically, the natural gas market in Florida has been under served with the lowest market penetration in the southeastern U.S. The expected growth at PGS is the result of expansion into areas of Florida previously not served and expansion of the system in areas currently served.

The above forward-looking statements are subject to many factors that could cause actual results and conditions to differ materially from those project in these statements. These factors are discussed more fully under "Investment Considerations" in TECO Energy Inc.'s Annual Report on Form 10-K for the year ended Dec. 31, 2000, and reference is made thereto.

OPERATING RESULTS

Tampa Electric - Electric Operations

Tampa Electric Operating Results

Tampa Electric's net income increased 4 percent in 2000, reflecting good customer growth, higher per-customer energy usage, a favorable customer mix and more normal weather, partially offset by higher operations and maintenance expense.

In July 2000, Tampa Electric placed its new, 180-megawatt combustion turbine Polk Unit Two in service. The $54-million, oil or gas-fired peaking unit was constructed on an accelerated schedule to meet peak summer demand.

Tampa Electric's 1999 net income, before charges described in the **Charges to Earnings** section, declined about 2 percent from 1998. Results in 1999 included the deferral of $11.9 million of revenues excluding an offsetting non-recurring pretax benefit of $7.9 million of deferred revenues recognized under the then current regulatory agreement related to the charge for tax settlements. The results in 1998 reflected the recognition of $20.8-million temporary base rate reduction.

Summary of Operating Results

(millions)	2000	Change	1999	Change	1998
Revenues	$1,353.8	12.8%	$1,199.8(1)	-2.8%	$1,234.6(2)
Operating expenses	1,142.8	13.7%	1,004.8	-2.6%	1,031.2(4)
Operating income	$ 211.0	8.2%	$ 195.0	-4.1%	$ 203.4
Net Income	$ 144.5	4.1%	$ 138.8	-1.7%	$ 141.2

(1) Includes $11.9 million of deferred revenues. This amount is before the $7.9 million deferred revenue benefit recognized under the regulatory agreement related to the charge for tax settlements, described in the **Charges to Earnings** section.

(2) Includes the recognition of previously deferred revenues totaling $38.3 million offset by temporary base rate reductions of $20.8 million, described in the **Utility Regulation – Rate Stabilization Strategy** section.

(3) Includes the recognition of previously deferred revenues totaling $30.5 million offset by temporary base rate reductions of $4.6 million, described in the **Utility Regulation – Rate Stabilization Strategy** section.

(4) Excludes a pretax charge of $9.6 million for treatment of a wholesale contract, described in the **Charges to Earnings** section.

Tampa Electric Operating Revenues

The economy in Tampa Electric's service area continued to grow in 2000, with increased employment from the strong local economy aided by corporate relocations and expansions. The Tampa metropolitan area's employment grew over 5 percent in 2000, placing it fourth for job growth among metropolitan areas in the U.S.

Tampa Electric's 2000 operating revenues increased 13 percent from 3 percent customer growth, more normal winter weather and increased per-customer energy usage. The customer mix continued to shift toward higher margin residential and commercial customers in 2000.

Tampa Electric's 1999 operating revenues decreased 3 percent, primarily because the company deferred revenues in 1999, while in 1998 it benefitted from the recognition of revenues deferred in prior years. The company experienced customer growth of 2.5 percent in 1999, while retail energy sales were 1.4 percent lower.

In 2000, combined residential and commercial megawatt sales increased 5 percent from the addition of more than 16,000 new customers and a return to more normal weather. These sales increased slightly in 1999, as the addition of almost 13,000 customers more than offset the effects of mild weather that year.

Non-phosphate industrial sales increased in 2000 and 1999, reflecting continued economic growth and the shift of some commercial customers to the industrial classification to take advantage of favorable tax law changes for electricity used in manufacturing. This shift does not affect Tampa Electric revenues.

Sales to the phosphate industry increased in 2000 as producers brought back into service mining and production facilities idled in 1998 and 1999. Sales to the phosphate industry declined in 1999 due to mine closures in 1998 and 1999. The phosphate industry continues to experience lower pricing due to worldwide oversupply. According to phosphate industry sources, the market is expected to remain in this downturn in early 2001 and then start a recovery later in 2001 with improvement continuing in 2002. Revenues from phosphate sales represented slightly less than 3 percent of base revenues in 2000 and in 1999.

Based on expected growth reflecting continued population increases and business expansion, Tampa Electric projects retail energy sales growth of approximately 2.5 percent annually over the next five years, with combined energy sales growth in the residential and commercial sectors of almost 3 percent annually. Retail demand growth is expected to average 100 megawatts of capacity per year for the next five years.

These growth projections assume continued local area economic growth, normal weather and certain other factors.

Megawatt-Hour Sales

(thousands)	2000	Change	1999	Change	1998
Residential	7,369	5.8%	6,967	-1.2%	7,050
Commercial	5,541	3.8%	5,336	3.2%	5,173
Industrial	2,390	7.5%	2,224	-11.7%	2,520
Other	1,338	4.7%	1,278	-0.5%	1,284
Total retail	16,638	5.3%	15,805	-1.4%	16,027
Sales for resale	2,564	18.7%	2,160	-13.1%	2,486
Total energy sold	19,202	6.9%	17,965	-3.0%	18,513
Retail customers (average)	560.1	3.0%	543.7	2.5%	530.3

Tampa Electric Operating Expenses

Overall operating expenses increased 14 percent in 2000 reflecting increased costs associated with the Big Bend Units One and Two flue gas desulfurization system placed in service in December 1999, the expiration of the DOE credits for Polk Unit One at the end of 1999, increased generating system maintenance to improve summer availability and costs associated with organizational streamlining. Costs associated with the flue gas desulfurization system are recovered through the Environmental Cost Recovery Clause (ECRC). See the **Utility Regulation** section.

Overall expenses were down 3 percent in 1999, reflecting lower fuel consumption and lower operations and maintenance expense than in 1998. Partially offsetting these reductions were property tax settlements and environmental study costs associated with the state environmental settlement described below and in the **Environmental Compliance** section.

Non-fuel operations and maintenance expenses decreased 4 percent in 1999, the result of effective cost management and improved efficiency throughout the company.

Tampa Electric's 250-megawatt, clean-coal technology Polk Unit One was placed into service in late 1996. Between 1996 and 1999, the last year of eligibility, a total of approximately $29 million was received from the U.S. Department of Energy (DOE) to partially offset the unit's non-fuel operations and maintenance expenses.

Non-fuel operations and maintenance expenses in 2001 are expected to increase at or below the rate of inflation over the next several years.

Operating Expenses

(millions)	2000	Change	1999	Change	1998
Other operating expenses	$ 188.3	15.1%	$ 163.6	-1.3%	$ 165.7
Maintenance	96.1	10.3%	87.1	-7.9%	94.6
Depreciation	161.6	9.5%	147.6	1.0%	146.1
Taxes-federal and state income	82.5	19.7%	68.9	-9.7%	76.3
Taxes, other than income	98.7	-0.1%	98.8	1.6%	97.2
Operating expenses	627.2	10.8%	566.0	-2.4%	579.9
Fuel	323.5	6.4%	304.0	-17.1%	366.6
Purchased power	192.1	42.5%	134.8	59.1%	84.7
Total fuel expense	515.6	17.5%	438.8	-2.8%	451.3
Total operating expenses	$1,142.8	13.7%	$1,004.8	-2.6%	$1,031.2

Depreciation expense increased 9 percent in 2000 reflecting normal plant additions to service the growing customer base and the addition of the Big Bend Units One and Two flue gas desulfurization system. The 1 percent increase in 1999 reflected normal plant additions to serve customer growth and maintain generating system reliability. Depreciation expense is projected to increase in 2001 from normal plant additions and rise for the next several years due to an additional combustion turbine at the Polk Power Station in 2002 and the first phase of the Gannon repowering project entering service in 2003. See the **Environmental Compliance** section.

Taxes other than income increased in 1999 as a result of higher property taxes due to the settlement of prior year tax issues with Polk County. This settlement clarified issues mainly related to Polk Unit One for 1997, 1998 and beyond in a manner satisfactory to the company. Taxes other than income increased in 1998 as a result of higher gross receipts taxes and franchise fees related to higher energy sales. The sales-related taxes are recovered through customer bills.

Fuel costs increased 6 percent in 2000 reflecting increased generation and increased use of more expensive oil and natural gas at Polk Unit Two, Hookers Point and combustion turbines at the Big Bend Power Station. Average coal costs, on a cents-per-million BTU basis, decreased slightly in 2000 after a slight increase in 1999. Fuel expense decreased in 1999 from 1998 due to lower energy sales and a higher reliance on purchased power attributable to lower unit availability.

Purchased power expense increased in 2000 due to lower unit availability, primarily the result of a generator failure at Gannon Unit Six. Purchased power increased in 1999 due to lower unit availability, the provision of replacement power for certain wholesale power sales contracts and an explosion at the Gannon plant in April 1999. In 1998, purchased power increased primarily due to weather-related demand. In each year, substantially all fuel and purchased power expenses were recovered through the fuel adjustment clause.

Nearly all of Tampa Electric's generation in the last three years has been from coal, and the fuel mix is expected to continue to be substantially comprised of coal until 2003 when the first of two repowered units is scheduled to begin operating on natural gas. See the **Environmental Compliance** section. On a total energy supply basis, company generation accounted for 86 percent and 84 percent of the total system energy requirement in 2000 and 1999, respectively.

On April 8, 1999, an explosion at Tampa Electric's Gannon Station Unit Six, which was off line for scheduled spring maintenance, resulted in damage to the unit, the temporary shut down of the other five units at the station and injuries to 45 employees and contractors, including three fatalities. The units at Gannon Station that were affected by the accident were returned to service in the second and third quarter. The cost of replacement fuel and purchased power totaled $5 million; $1.8 million was approved by the FPSC for recovery through Tampa Electric's fuel and purchased power clause with little impact on customer rates, and the balance was recovered from interruptible customers. The costs resulting from the accident were substantially covered by insurance. The impact on 1999 operation and maintenance expenses was approximately $2 million.

Peoples Gas System

Peoples Gas System Results

Peoples Gas System (PGS) is the largest investor-owned gas distribution utility in Florida, with about 70 percent of the investor-owned local distribution company market. It serves almost 260,000 customers in all of the major metropolitan areas of Florida.

PGS achieved net income growth of 10 percent in 2000 from customer growth, increased gas transported for off-system sales to electric power generators and interruptible customers and colder weather late in the year.

Net income grew 28 percent in 1999, with the increase due primarily to new customer additions from system expansion and lower operating expenses. The benefits of customer growth for the year were partially offset by the less favorable weather patterns during 1999.

Historically the natural gas market in Florida has been under served with the lowest market penetration in the southeastern U.S. PGS is expanding its gas distribution system into areas of Florida previously not served and expanding its system within areas currently served.

Summary of Operating Results (millions)	2000	Change	1999	Change	1998
Revenues	$ 314.5	24.9%	$ 251.7	-.4%	$252.8
Cost of gas sold	157.0	45.8%	107.7	-6.7%	115.4
Operating expenses	123.7	9.0%	113.5	1.7%	111.6
Operating income	$ 33.8	10.8%	$ 30.5	18.2%	$ 25.8
Net Income	$ 21.8	10.1%	$ 19.8	27.7%	$ 15.5
Therms sold (millions) – by Customer Segment					
Residential	57.6	10.6%	52.1	-1.1%	52.7
Commercial	292.1	6.8%	273.5	2.8%	266.0
Industrial	374.1	12.7%	331.9	8.8%	305.0
Power Generation	418.6	3.3%	405.2	40.5%	288.3
Total	1,142.4	7.5%	1,062.7	16.5%	912.0
Therms sold (millions) – By Sales Type					
System Supply	320.6	6.9%	300.0	-6.5%	320.8
Transportation	821.8	7.8%	762.7	29.0%	591.2
Total	1,142.4	7.5%	1,062.7	16.5%	912.0
Customers (thousands) - average	256.2	3.9%	246.7	3.0%	239.6

Residential therm sales increased in 2000, the result of 4 percent residential customer growth and colder weather late in the year. Commercial therm sales increased in 2000 reflecting good customer growth and a strong economy.

Residential therm sales decreased slightly in 1999, the result of less favorable weather patterns in the first quarter offset in part by new customer additions. Therm sales to commercial customers increased in 1999, reflecting a growing number of higher-margin customers.

Operating revenues from residential and commercial customers increased 24 percent and 16 percent, respectively in 2000 from higher gas prices, customer growth, and increased usage due to colder weather late in the year. Gas prices per therm were 36 percent higher in 2000 compared to the prior year.

The actual cost of gas and upstream transportation purchased and resold to end-use customers is recovered through a Purchased Gas Adjustment (PGA) clause approved by the Florida Public Service Commission. The company files for mid-period adjustments to the PGA in times of gas price volatility, as was experienced in 2000 and into 2001.

Revenues from residential customers increased 2 percent in 1999. Revenue from commercial customers decreased 9 percent, while revenues from industrial and power generation customers were up approximately 33 percent.

In November 2000, PGS instituted its "NaturalChoice" program, which unbundles gas services for all non-residential customers, affording these customers the opportunity to purchase the commodity gas from any provider. The net result of this unbundling is a shift from commodity sales to transportation sales. Because commodity sales are included in operating revenues at the cost of the gas on a pass-through basis, there is no net financial impact to the company of transportation only sales.

Operating expenses increased in 2000, in line with customer growth and system expansion. Operating expenses decreased in 1999, reflecting cost savings associated with management's decision in mid-1998 to exit the appliance sales and service business.

PGS expects to invest an average of $60 million for each of the next five years to grow the business and maintain system reliability.

In 1998, PGS announced plans to expand into the Southwest Florida market to provide service to Fort Myers, Naples, Cape Coral and surrounding areas. In 1999, the company began connecting customers and delivering gas to North Fort Myers and completed the long-haul portion of this extension of its distribution system by in April 2000. In the first eight months of operation, the project connected 195 commercial customers representing annual consumption of approximately 5.8 therms. External sources predict that more than 100,000 new homes and businesses will be added in this market over the next decade, representing a significant opportunity for growth in the high-end residential and the commercial customer sectors.

PGS expects increases in sales volumes and corresponding revenues in 2001, and continued customer additions and related revenues from the Southwest Florida expansion and other expansion efforts throughout the state.

These growth projections assume continued local area economic growth, normal weather and other factors.

NON-OPERATING ITEMS

Other Income (Expense)

Other income (expense) in 1999 included charges of $3.5 million to provide for Tampa Electric's expected costs of settling an EPA lawsuit and $10.0 million for a regulatory decision limiting the utility's regulatory equity ratio to 58.7 percent for 1997 and 1998.

Other income (expense) in 1998 included a charge of $7.3 million at Tampa Electric reflecting an FPSC decision denying recovery of certain coal expenses from an affiliate. These 1999 and 1998 charges are described in the **Charges to Earnings** section.

Allowance for other funds used during construction (AFUDC) was $1.6 million in 2000, and $1.3 million in 1999; no AFUDC was recorded in 1998. AFUDC is expected to increase to an estimated $8 million in 2001 and more than double to an estimated $19 million in 2002, reflecting Tampa Electric's growing investment in the Gannon repowering and generation expansion activities.

AFUDC is a non-cash credit to income with a corresponding charge to utility plant which represents the cost of borrowed funds and a reasonable return on the equity funds used for construction.

Interest Charges

Interest charges were $80.1 million in 2000 compared to $77.4 million in 1999. A charge for income tax settlements and provisions in 1999, discussed in the **Charges to Earnings** section, included $12.7 million of interest expense and accounted for much of the increase over 1998. Higher borrowing levels and higher interest rates resulted in much of increase in interest expense in 2000.

ENVIRONMENTAL COMPLIANCE

Tampa Electric met the environmental compliance requirements for the Phase I emission limitations imposed by the Clean Air Act Amendments (CAAA) which became effective Jan. 1, 1995 by using blends of lower-sulfur coal, integrating the Big Bend Unit Four flue gas desulfurization, or scrubber, system with Unit Three, implementing operational modifications and purchasing emission allowances. For Phase II, which began Jan. 1, 2000, further reductions in sulfur dioxide (SO2) and nitrogen oxide (NOx) emissions were required. To comply with the Phase II SO2 requirements, Tampa Electric installed a new scrubber system at Big Ben Units One and Two and will rely less on fuel blending and SO2 allowance purchases. The $83-million scrubber was placed in service on Dec. 30, 1999 and has significantly reduced the amount of SO2 emitted by Tampa Electric's Big Bend Units One and Two. As a result of this project, all of the units at Big Bend Station, Tampa Electric's largest generating station, are equipped with scrubber technology. In order to comply with the Phase II NOx emission limits on a system wide average, Tampa Electric has implemented combustion optimization projects at Big Bend and Gannon stations.

On Feb. 29, 2000, Tampa Electric Company, the EPA and the U.S. Department of Justice announced they had resolved the federal agencies' pending enforcement actions filed in 1999 against Tampa Electric. The resolution was in the form of a consent decree, which became effective Oct. 5, 2000 and has resulted in full and final settlement of the federal litigation and notice of violation alleging violations of New Source Review requirements of the Clear Air Act.

The consent decree is substantially the same as Tampa Electric's earlier agreement with the Florida Department of Environmental Protection (FDEP) with respect to environmental controls and pollution reductions reached on Dec. 7, 1999; however, it contains specific detail with respect to the availability of the scrubbers and earlier incremental NOx reduction efforts on Big Bend Units One, Two and Three. Under the consent decree, Tampa Electric is committed to a comprehensive cleanup program that will dramatically decrease emissions from the company's power plants.

A significant component of the emission reduction plan is the repowering of the company's coal-fired Gannon Station with natural gas.

Engineering for the repowering project began in January 2000, and Tampa Electric anticipates that commercial operation for the first repowered unit will occur by May 1, 2003. The repowering of additional units is scheduled to be completed by May 1, 2004. When these units are repowered, the station will be renamed the Bayside Power Station and will have total station capacity of about 1,800 megawatts (nominal) of natural gas-fueled electric energy.

Tampa Electric filed petitions with the FPSC to seek cost recovery for various environmental projects required by the consent decree. The petitions sought cost recovery through the Environmental Cost Recovery Clause for costs incurred to improve the availability and removal efficiency for its Big Bend On, Two and Three scrubbers, to reduce particulate matter emission, and to reduce NOx emissions. In November, the FPSC approved the recovery of these types of costs through customers' bills starting January 2001.

Tampa Electric Company is a potentially responsible party for certain superfund sites and, through its Peoples Gas System division, for certain former manufactured gas plant sites. While the joint and several liability associated with these sites

presents the potential for significant response costs, Tampa Electric Company estimates its ultimate financial liability at approximately $22 million over the next 10 years. The environmental remediation costs associated with these sites are not expected to have a significant impact on customer prices.

UTILITY REGULATION

Rate Stabilization Strategy

Tampa Electric's objectives of stabilizing prices from 1996 through 1999 and securing fair earnings opportunities during this period were accomplished through a series of agreements entered into in 1996 with the Florida Office of Public Counsel (OPC) and the Florida Industrial Power Users Group (FIPUG) which were approved by the Florida Public Service Commission (FPSC). Prior to these agreements, the FPSC approved a plan submitted by Tampa Electric to defer certain 1995 revenues.

In general, under these agreements Tampa Electric was allowed to defer revenues in 1995 and 1996 during the construction of Polk Unit One and recognize these revenues in 1997 and 1998 after commercial operation of the unit. Other components of the agreements were: a base rate freeze through 1999; refunds to customers totaling $50 million during the period October 1996 through December 1998; and recovery of the capital costs incurred for the Polk Unit One Project.

Under these agreements Tampa Electric's allowed return on equity (ROE) was established at an 11.75 percent midpoint with a range of 10.75 percent to 12.75 percent. Revenues were deferred for use by the company in 1997 and 1998 according to sharing formulas that varied by year. In 1998, all revenues above the top of the ROE range were required to be held for refund to customers.

For 1995 and 1996, Tampa Electric deferred $51 million and $37 million of revenues under this plan, respectively. The deferred revenues accrued interest at the 30-day commercial paper rate as specified in the Florida Administrative Code. These amounts and interest (less $25 million of refunds) provided $62 million for recognition as income by the company for 1997 and 1998. Revenues in 1997 and 1998 were lower by $5 million and $20 million, respectively, as a result of a temporary base rate reduction that was a component of the stipulation.

Based on FPSC decisions, the company reversed $27 million for 1997 and $34 million for 1998 of the revenues deferred from 1995 and 1996. After including $10 million of interest accrued over the deferral period, the FPSC ordered $11 million plus interest to be refunded to customers. In November 1999, FIPUG protested the FPSC decisions for both 1997 and 1998 and requested a hearing to review a wide range of costs incurred by the company over the two-year period. Accordingly, the FPSC ordered that the $11 million refund be withheld with interest until the protest was heard and resolved.

In August 2000, the FPSC approved a stipulation entered into between Tampa Electric, FIPUG and OPC that provided for a $13 million refund to customers from September through December 2000. This amount generally represented the $11 million refund amount previously determined plus interest.

As part of its series of agreements with OPC and FIPUG, Tampa Electric also agreed to refund 60 percent of 1999 revenues that contributed to an ROE in excess of 12 percent, as calculated and approved by the FPSC.

In October 2000, the FPSC staff recommended a 1999 refund of $6.1 million including interest, to be refunded to customers beginning January 1, 2001. OPC objected to certain interest expenses recognized in 1999 that were associated with prior tax positions and used to calculate the amount to be refunded. Following a review by the FPSC staff, the FPSC agreed in December 2000 that the original $6.1 million was to be refunded to customers. On Feb. 7, 2001 OPC protested the FPSC's refund decision. The protest claims that the stipulations do not allow for the inclusion of the interest expenses on income tax positions in the refund calculations. OPC suggests that an additional $8.3 million should be refunded. Hearing dates to resolve the 1999 refund amount are scheduled for August 2001.. Tampa Electric believes its positions relative to the inclusion of the interest expenses are reasonable and are likely to be upheld.

The regulatory arrangements described above covered periods that ended on Dec. 31, 1999. Tampa Electric's rates and its allowed ROE range of 10.75 percent to 12.75 percent with a midpoint of 11.75 percent will continue in effect until such time as changes are occasioned by an agreement approved by the FPSC or other FPSC actions as a result of rate or other proceedings initiated by Tampa Electric, FPSC staff or other interest parties. Tampa Electric believes that its currently allowed ROE range is reasonable based on the current interest rate environment and previous FPSC rulings.

Cost Recovery Clauses

In September 2000, Tampa Electric filed with the FPSC for approval of fuel and purchased power, capacity, environmental and conservation cost recovery clause rates for the period January 2001 through December 2001. In November, the FPSC approved Tampa Electric's requested changes. Accordingly, Tampa Electric's residential customer rate per 1,000 kilowatt hours increased only by 2 cents to $84.47. These rates include projected costs associated with environmental projects required under the U.S. Environmental Protection Agency's Consent Decree and the Florida Department of Environmental Protection Consent final Judgment with Tampa Electric. See the **Environmental Compliance** section. They also include additional purchase power costs for 2000 and 2001, which reflect higher natural gas and oil prices and increases in the volumes of purchased power.

In February 2001, Tampa Electric notified the FPSC that it anticipated that the fuel factors approved in December 2000 for 2001 were understated by approximately $86 million due to significantly higher natural gas and oil prices, and accordingly, purchased power costs. In March 2001, the FPSC approved Tampa Electric's request to increase rates to cover the $86 million beginning in April 2001.

In January 2001, PGS notified the FPSC that it anticipated that its PGA factors approved in December 2000 for 2001 were understated by approximately $63 million due to significantly higher natural gas prices. In February 2001, the FPSC approved PGS' request to increase rates to cover the $63 million under-recovery beginning in March 2001.

Long Range Power Supply Planning

In 1999, as part of the FPSC's assessment of Florida's electric reliability for future years, the FPSC ordered a generic investigation into the aggregate reserve margins planned for peninsular Florida. Tampa Electric, along with Florida Power & Light and Florida Power Corp. submitted a proposed stipulation to the FPSC to voluntarily adopt a minimum 20-percent reserve margin planning criteria from the then current 15-percent criteria over a transition period of four years. In December 1999, the FPSC approved the proposed stipulation.

Tampa Electric accelerated the in-service date of its next two 180-megawatt combustion turbines from January 2001 to September 2000 and from January 2003 to May 2002. The September 2000 combustion turbine was subsequently accelerated to begin actual commercial operation in July 2000.

Tampa Electric also entered into a 12-year purchased power agreement with Hardee Power Partners for a 75-megawatt combustion turbine that entered service in May 2000.

In August 2000, Tampa Electric presented a revised 10-year site plan to the FPSC which further enhances system reliability and improves economic and environmental benefits to customers. Under this revised plan, the capacity of the Gannon Station repowering project was increased by 235 megawatts. The increased capacity increased Tampa Electric's projected 2001 summer reserve margin from 23 percent to 27 percent at a lower cost than previous repowering plans.

Utility Competition: Electric

Tampa Electric's retail electric business is substantially free from direct competition with other electric utilities, municipalities and public agencies. At the present time, the principal form of competition at the retail level consists of self-generation available to larger users of electric energy. Such users may seek to expand their alternatives through various initiatives, including legislative and/or regulatory changes that would permit competition at the retail level. Tampa Electric intends to retain and expand its retail business by managing costs and providing high-quality service to retail customers.

There is presently active competition in the wholesale power markets in Florida, increasing largely as a result of the Energy Policy Act of 1992 and related federal initiatives. However, the Florida Power Plant Siting Act, which sets the state's electric energy/environmental policy and governs the building of new generation involving steam capacity of 75 megawatts or more, requires that applicants demonstrate that a plant is needed prior to receiving construction and operating permits.

In 2000, Florida Governor Jeb Bush established the 2020 Energy Study Commission to address the following issues by December 2001: current and future reliability of electric and natural gas supply; emerging energy supply and delivery options; electric industry competition; environmental impacts of energy supply; energy conservation and fiscal impacts of energy supply options on taxpayers and energy providers. TECO Energy has been supportive of the process. The Study Commission recently endorsed an interim recommendation on wholesale competition that, if enacted into law, would afford the company the opportunity to compete effectively in the Florida market.

The Study Commission's recommendation to Governor Bush includes, among other provisions, elimination of barriers to entry for merchant power generators, an open competitive wholesale electric market, transfer of regulated generating assets to unregulated affiliates or sale to others, Florida electric system reliability and consumer protection. A proposal is expected to be forwarded to the legislature by the governor for possible action in the 2001 legislative session. It is unclear at this time if this proposed legislation would pass.

Regional Transmission Organization (RTO)

In December 1999, the Federal Energy Regulatory Commission (FERC) issued Order No. 2000, dealing with RTOs. This rule is driven by the FERC's continuing effort to effect open access to transmission facilities in large, regional markets. The rule provides guidelines to utilities for joining RTOs by December 2001. These guidelines specify minimum characteristics and functions.

In anticipation to the FERC activity, the FPSC held workshops in 1999 to discuss transmission issues within peninsular Florida. Potentially affected parties and the FPSC agreed that a national one-size-fits-all approach is not appropriate. With the encouragement of the FPSC, Tampa Electric worked with utilities in the state and others to develop a peninsular Florida solution.

The activities resulted in the peninsular Florida investor-owned utilities making joint RTO filings at FERC in October and December 2000. The filing included elements related to governance, pricing, planning, operations and market design. Tampa Electric and other stakeholders are seeking a market design in the collaborative process, which at a minimum addresses each of the FERC criteria in Order 2000.

In the filing, Tampa Electric agreed with the other Florida investor-owned utilities to form an RTO to be known as

GridFlorida LLC. As proposed, the RTO would independently control the transmission assets of the filing utilities, as well as other utilities in the region that choose to join. The RTO will be an independent, investor-owned organization that will have control of the planning and operations of the bulk power transmission systems of the utilities within peninsular Florida. The three filing utilities represent almost 80 percent of the aggregate net energy load in the region for the year 2000.

On January 10, 2001, FERC issued preliminary rulings on certain aspects of the governance structure of the RTO. In order to guarantee the right to participate in the selection of the RTO board of directors, parties were required to declare, within 30 days of the January 10 order, their intention to contribute their transmission assets to the RTO. Tampa Electric has filed to inform the FERC that it planned to contribute its transmission assets to the RTO.

Utility Competition: Gas

Although Peoples Gas System is not in direct competition with any other regulated distributors of natural gas for customers within its service areas, there are other forms of competition. At the present time, the principal form of competition for residential and small commercial customers is from companies providing other sources of energy, including electricity.

In November 2000, PGS implemented its "NaturalChoice" program that offers unbundled transportation service to all non-residential customers. This means that non-residential customers can purchase commodity gas from a third party but continue to pay PGS for the transportation of the gas. Because PGS earns margins on the distribution of gas, but not on the commodity itself, this program is not expected to negatively impact PGS results.

Competition is most prevalent in the large commercial and industrial markets. In recent years, these classes of customers have been targeted by companies seeking to sell gas directly, by transporting gas through other facilities, thereby bypassing PGS facilities. In response to this competition, various programs have been developed including the provision of transportation services at discounted rates.

In general, PGS faces competition from other energy source suppliers offering fuel oil, electricity and in some cases propane. PGS has taken actions to retain and expand its commodity and transportation business, including managing costs and providing high-quality service to customers.

In March 2000, the franchise agreement between the city of Lakeland (City) and PGS expired. The city has initiated legal proceedings seeking a declaration of the city's rights to acquire the PGS facilities under the franchise. PGS has filed defenses and counter claims and a hearing is schedule for May 2001. While PGS believes it is best suited to serve these customers, it cannot at this time predict the ultimate outcome of these activities.

PGS is continuing to serve under substantially the same terms as contained in the franchise in the absence of other rules and regulations being adopted by the city. The Lakeland franchise contributed about $4 million of net revenue to PGS results in 2000.

FINANCING ACTIVITY:

In August 2000, Tampa Electric Company issued $150 million of remarketed notes, due 2015. The notes, which bear an initial coupon rate of 7.37% are subject to mandatory tender on Sept. 1, 2002, at which time they will be remarketed or redeemed. Net proceeds were $154.2 million, which included a premium paid to Tampa Electric by the remarketing agent for the right to purchase and remarket the notes in 2002. If this right is exercised, for the following 10 years the notes will bear interest at 5.75% plus a premium based on Tampa Electric Company's then-current credit spread above United States Treasury Notes with 10 years to maturity.

In February 2001, Tampa Electric Company filed a shelf registration statement for the issuance of up to $500 million of debt securities.

In the second quarter of 1998, Tampa Electric Company filed a registration statement for the issuance of up to $200 million of medium-term notes. In July 1998, Tampa Electric Company issued $50 million of Remarketed Notes, due 2038. The Notes, which bear an initial coupon rate of 5.94% are subject to mandatory tender on July 15, 2001, at which time they will be remarketed or redeemed. Net proceeds were $51 million, which included a premium paid to Tampa Electric by the remarketing agent for the right to purchase the Notes in 2001. If this right is exercised, for the following 10 years the Notes will bear interest at 5.41% plus a premium based on Tampa Electric Company's then-current credit spread above United State Treasury Notes with 10 years to maturity.

Proceeds from the note issues were used to repay short-term debt and for general corporate purposes.

Accounting for Derivative Instruments and Hedging

In 1998, the FASB issued FAS 133, Accounting for Derivative Instruments and Hedging. This standard is effective for fiscal years beginning after June 15, 2000. The company will adopt the new standard effective Jan. 1, 2001. The new standard, requires the company to recognize derivatives as either assets or liabilities in the financial statements, to measure those instruments at fair value and to reflect the changes in fair value of those instruments as either components of comprehensive income or in net income, depending on the types of those instruments.

The company has completed the review and documentation of its derivative contracts, and found that such activity has been minimal and relatively short term in duration. Based on policies and procedures approved by the Board of Directors, from time to time the company enters into futures, swaps and option contracts to limit exposure to gas price increases at the regulated natural gas utility. The benefits of these arrangements are at risk only in the event of non-performance by the other party to the agreement, which the company does not anticipate.

As of Dec. 31, 2000 the company did not have any derivative or hedging transactions in place that require an opening adjustment to the financial statements for Jan. 1, 2001. Management will continue to document all current, new and possible uses of derivatives, and develop procedures and methods for measuring them.

Item 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

Tampa Electric Company is exposed to changes in interest rates primarily as a result of its borrowing activities.

From time to time, Tampa Electric Company enters into futures, swaps and option contracts to moderate exposure to interest rate changes.

A hypothetical 10 percent increase in Tampa Electric Company's weighted average interest rate on its variable rate debt would not have a significant impact on Tampa Electric Company's pretax earnings over the next fiscal year.

A hypothetical 10 percent decrease in interest rates would not have a significant impact on the estimated fair value of Tampa Electric Company's long-term debt at Dec. 31, 2000.

Commodity Price Risk

Currently, at Tampa Electric and Peoples Gas System, commodity price increases due to changes in market conditions for fuel, purchased power and natural gas are recovered through cost recovery clauses, with no effect on earnings.

From time to time, Tampa Electric Company enters into futures, swaps and options contracts to limit exposure to gas price increases at the regulated natural gas utility.

Tampa Electric Company does not currently use derivatives or other financial products for speculative purposes.

Item 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA.

INDEX TO CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

All other financial statement schedules have been omitted since they are not required, are inapplicable or the required information is presented in the financial statements or notes thereto.

REPORT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

To the Board of Directors and Shareholder of Tampa Electric Company

In our opinion, the consolidated financial statements listed in the accompanying index present fairly, in all material respects, the financial position of Tampa Electric Company and its subsidiaries, (a wholly owned subsidiary of TECO Energy, Inc.) at Dec. 31, 2000 and 1999, and the results of their operations and their cash flows for each of the three years in the period ended Dec. 31, 2000, in conformity with accounting principles generally accepted in the United States of America. In addition, in our opinion, the financial statement schedule listed in the accompanying index presents fairly, in all material respects, the information set forth therein when read in conjunction with the related consolidated financial statements. These financial statements and financial statement schedule are the responsibility of the Company's management; our responsibility is to express an opinion on these financial statements and financial statement schedule based on our audits. We conducted our audits of these statements in accordance with auditing standards generally accepted in the United States of America, which require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management, and evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP

Tampa, Florida
Jan. 12, 2001

CONSOLIDATED BALANCE SHEETS
(millions)

Assets

Dec. 31,	2000	1999
Property, Plant and Equipment, At Original Cost		
Utility plant in service		
Electric	$4,054.1	$3,892.1
Gas	632.1	590.0
Construction work in progress	150.1	81.6
	4,836.3	4,563.7
Accumulated depreciation	(1,931.3)	(1,818.7)
	2,905.0	2,745.0
Other property	8.3	7.9
	2,913.3	2,752.9
Current Assets		
Cash and cash equivalents	.7	26.1
Receivables, less allowance for uncollectibles	180.4	147.1
Inventories, at average cost		
Fuel	56.8	73.2
Materials and supplies	52.4	49.0
Prepayments	3.3	10.9
	293.6	306.3
Deferred Debits		
Unamortized debt expense	13.2	14.2
Deferred income taxes	124.3	121.6
Regulatory asset-tax related	62.3	42.9
Other	143.1	84.6
	342.9	263.3
	$3,549.8	$3,322.5

Liabilities and Capital

Capital		
Common stock	$1,148.1	$1,043.1
Retained earnings	299.0	283.9
	1,447.1	1,327.0
Long-term debt, less amount due within one year	789.3	690.3
	2,236.4	2,017.3
Current Liabilities		
Long-term debt due within one year	55.2	84.8
Notes payable	231.2	271.2
Accounts payable	188.0	163.8
Customer deposits	82.4	79.9
Interest accrued	34.2	12.9
Taxes accrued	71.6	30.9
	662.6	643.5
Deferred Credits		
Deferred income taxes	424.5	458.3
Investment tax credits	36.1	40.5
Regulatory liability-tax related	72.4	56.1
Other	117.8	106.8
	650.8	661.7
	$3,549.8	$3,322.5

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF INCOME
(millions)

Year ended Dec. 31,	2000	1999	1998
Operating Revenues			
Electric	$1,352.9	$1,207.1	$1,234.6
Gas	314.5	251.7	252.8
	1,667.4	1,458.8	1,487.4
Operating Expenses			
Operation			
Fuel	323.3	304.0	366.6
Purchased power	192.1	134.8	94.3
Natural gas sold	157.0	107.7	115.4
Other	246.2	217.2	221.1
Maintenance	99.8	90.4	98.8
Depreciation	187.4	170.7	167.2
Taxes-Federal and state income	95.8	81.7	86.3
Taxes-Other than income	120.8	118.9	118.1
	1,422.6	1,225.4	1,267.8
Operating Income	244.8	233.4	219.6
Other Income (Expense)			
Allowance for other funds used during construction	1.6	1.3	--
Other expense, net	--	(12.4)	(9.8)
	1.6	(11.1)	(9.8)
Income before interest charges	246.4	222.3	209.8
Interest Charges			
Interest on long-term debt	52.4	51.5	50.4
Other interest	28.4	26.4	13.0
Allowance for borrowed funds used during construction	(0.7)	(0.5)	--
	80.1	77.4	63.4
Net Income	166.3	144.9	146.4
Preferred dividend requirements	--	--	--
Balance Applicable to Common Stock	$ 166.3	$ 144.9	$ 146.4

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS
(millions)

Year ended Dec. 31,	2000	1999	1998
Cash Flows from Operating Activities			
Net income	$ 166.3	$ 144.9	$ 146.4
Adjustments to reconcile net income to net cash			
Depreciation	187.4	170.7	167.2
Deferred income taxes	(39.4)	(15.7)	28.5
Investment tax credits, net	(4.4)	(4.6)	(4.6)
Allowance for funds used during construction	(2.3)	(1.8)	--
Deferred clause revenues (expenses)	(68.7)	(38.2)	17.4
Deferred revenue	--	11.9	(38.3)
Refund to customers	--	--	--
Charges (discussed in Note I)	(13.2)	18.3	16.9
Receivables, less allowance for uncollectibles	(33.3)	(4.3)	18.6
Inventories	13.0	10.6	(17.7)
Taxes accrued	40.7	22.2	.3
Interest accrued	21.3	(8.2)	(9.8)
Accounts payable	24.3	(39.3)	70.7
Other	45.7	8.2	19.9
	337.4	274.7	415.5
Cash Flows from Investing Activities			
Capital expenditures	(349.3)	(306.4)	(232.1)
Allowance for funds used during construction	2.3	1.8	--
	(347.0)	(304.6)	(232.1)
Cash Flows from Financing Activities			
Proceeds from contributed capital from parent	105.0	17.0	54.0
Proceeds from long-term debt	154.5	--	51.2
Repayment of long-term debt	(84.1)	(3.8)	(3.7)
Net borrowings (payments) under credit lines	--	--	--
Net increase (decrease) in short-term debt	(40.0)	191.5	(139.4)
Redemption of preferred stock	--	--	--
Dividends	(151.2)	(149.5)	(147.5)
	(15.8)	55.2	(185.4)
Net decrease in cash and cash equivalents	(25.4)	25.3	(2.0)
Cash and cash equivalents at beginning of year	26.1	.8	2.8
Cash and cash equivalents at end of year	$ .7	$ 26.1	$ .8
Supplemental Disclosure of Cash Flow Information			
Cash paid during the year for:			
Interest	$ 66.7	$ 62.5	$ 58.1
Income taxes	$ 98.4	$ 79.9	$ 48.6

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF RETAINED EARNINGS
(millions)

Year ended Dec. 31,	2000	1999	1998
Balance, Beginning of Year	$283.9	$288.5	$289.6
Add-Net income	166.3	144.9	146.4
	450.2	433.4	436.0
Deduct-			
Cash dividends on capital stock			
Preferred	--	--	--
Common	151.2	149.5	147.5
Other - adjustment	--	--	--
	151.2	149.5	147.5
Balance, End of Year	$299.0	$283.9	$288.5

The accompanying notes are an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CAPITALIZATION

		Capital Stock Outstanding Dec. 31, 2000		Cash Dividends Paid in 2000(1)	
	Current Redemption Price	Shares	Amount(2)	Per Share	Amount(2)
Common stock-Without par value					
25 million shares authorized	N/A	10	$1,148.1	N/A	$151.2

Preferred Stock-$100 Par Value
1.5 million shares authorized, none outstanding.
Preferred Stock - no Par
2.5 million shares authorized, none outstanding.
Preference Stock - no Par
2.5 million shares authorized, none outstanding.

(1) Quarterly dividends paid on Feb. 15, May 15, Aug. 15 and Nov. 15.
(2) Millions.

CONSOLIDATED STATEMENTS OF CAPITALIZATION (continued)

Long-Term Debt Outstanding at Dec. 31,	Due	2000	1999
Tampa Electric			
First mortgage bonds (issuable in series):			
7 3/4%	2022	75.0	75.0
5 3/4%	2000	--	80.0
6 1/8%	2003	75.0	75.0
Installment contracts payable(2):			
5 3/4%	2007	22.9	23.2
7 7/8% Refunding bonds(3)	2021	25.0	25.0
8% Refunding bonds(3)	2022	100.0	100.0
6 1/4% Refunding bonds(4)	2034	86.0	86.0
5.85%	2030	75.0	75.0
Variable rate: 3.77% for 2000 and 3.21% for 1999(1)	2025	51.6	51.6
Variable rate: 3.90% for 2000 and 3.46% for 1999(1)	2018	54.2	54.2
Variable rate: 3.96% for 2000 and 3.69% for 1999(1)	2020	20.0	20.0
Medium-term notes payable: 5.11% (5)	2001	38.0	38.0
Medium-term notes payable: 5.86% (6)	2002	100.0	--
		722.7	703.0
Peoples Gas System			
Senior Notes (7)			
10.35%	2007	5.6	6.2
10.33%	2008	7.2	8.0
10.3%	2009	8.4	8.8
9.93%	2010	8.6	9.0
8.0%	2012	29.0	30.5
Medium-term notes payable: 5.11% (5)	2001	12.0	12.0
Medium-term notes payable: 5.86% (6)	2001	50.0	--
		843.5	74.5
Unamortized debt premium (discount), net		1.0	(2.4)
		844.5	775.1
Less amount due within one year(8)		55.2	84.8
Total long-term debt		$ 789.3	$ 690.3

(1) Composite year-end interest rate.
(2) Tax-exempt securities.
(3) Proceeds of these bonds were used to refund bonds with interest rates of 11.625% - 12.625%. For accounting purposes, interest expense has been recorded using blended rates of 8.28% - 8.66% on the original and refunding bonds, consistent with regulatory treatment.
(4) Proceeds of these bonds were used to refund bonds with an interest rate of 9.9% in February 1995. For accounting purposes, interest expense has been recorded using a blended rate of 6.52% on the original and refunding bonds, consistent with regulatory treatment.
(5) These notes are subject to mandatory tender on July 15, 2001, at which time they will be redeemed or remarketed.
(6) These notes are subject to mandatory tender on Sept. 1, 2002, at which time they will be redeemed or remarketed.
(7) These long-term debt agreements contain various restrictive covenants, including provisions related to interest coverage, maximum levels of debt to total capitalization and limitations on dividends.
(8) Of the amount due in 2001, $0.8 million may be satisfied by the substitution of property in lieu of cash payments.

CONSOLIDATED STATEMENTS OF CAPITALIZATION (continued)

Substantially all of the property, plant and equipment of the company is pledged as collateral. Maturities and annual sinking fund requirements of long-term debt for the years 2002, 2003, 2004 and 2005 are $156.0 million, $81.5 million, $146.5 million, and $6.7 million, respectively. Of these amounts $.8 million per year for 2001 through 2004 may be satisfied by the substitution of property in lieu of cash payments.

At Dec. 31, 2000, total long-term debt had a carrying amount of $789.3 million and an estimated fair market value of $844.9 million. The estimated fair market value of long-term debt was based on quoted market prices for the same or similar issues, on the current rates offered for debt of the same remaining maturities, or for long-term debt issues with variable rates that approximate market rates, at carrying amounts. The carrying amount of long-term debt due within one year approximated fair market value because of the short maturity of these instruments.

The accompanying notes are an integral part of the consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

A. Summary of Significant Accounting Policies

Basis of Accounting

Tampa Electric Company's regulated electric and gas operations maintain their accounts in accordance with recognized policies prescribed or permitted by the Florida Public Service Commission (FPSC). In addition, Tampa Electric maintains its accounts in accordance with recognized policies prescribed or permitted by the Federal Energy Regulatory Commission (FERC). These policies conform with generally accepted accounting principles in all material respects.

The impact of Financial Accounting Standard (FAS) No. 71, Accounting for the Effects of Certain Types of Regulation, has been minimal in the experience of the regulated utilities, but when cost recovery is ordered over a period longer than a fiscal year, costs are recognized in the period that the regulatory agency recognizes them in accordance with FAS 71. Also as provided in FAS 71, Tampa Electric has deferred revenues in accordance with the various regulatory agreements approved by the FPSC in 1995, 1996 and 1999. Revenues are recognized as allowed in 1998 and 1999 under the terms of the agreements.

The regulated utilities' retail business is regulated by the FPSC, and Tampa Electric's wholesale business is regulated by FERC. Prices allowed, with respect to Tampa Electric, by both agencies are generally based on the recovery of prudent costs incurred plus a reasonable return on invested capital.

The use of estimates is inherent in the preparation of financial statements in accordance with generally accepted accounting principles.

Revenues and Fuel Costs

Revenues include amounts resulting from cost recovery clauses which provide for monthly billing charges to reflect increases or decreases in fuel, purchased capacity, conservation and environmental costs for Tampa Electric and purchased gas, interstate pipeline capacity and conservation costs for Peoples Gas System. These adjustment factors are based on costs projected for a specific recovery period. Any over-recovery or under-recovery of costs plus an interest factor are taken into account in the process of setting adjustment factors for subsequent recovery periods. Over-recoveries of costs are recorded as deferred credits, and under-recoveries of costs are recorded as deferred charges.

In August 1996, the FPSC approved Tampa Electric's petition for recovery of certain environmental compliance costs through the Environmental Cost Recovery Clause.

In December 1994, Tampa Electric bought out a long-term coal supply contract which would have expired in 2004 for a lump sum payment of $25.5 million and entered into two new contracts with the supplier. The coal supplied under the new contracts is competitive in price with coal of comparable quality. As a result of this buyout, Tampa Electric customers will benefit from anticipated net fuel savings of more than $40 million through the year 2004. In February 1995, the FPSC authorized the recovery of the $25.5-million buy-out amount plus carrying costs through the Fuel and Purchased Power Cost Recovery Clause over the 10-year period beginning April 1, 1995. In each of the years 2000, 1999 and 1998, $2.7 million of buy-out costs were amortized to expense.

Certain other costs incurred by the regulated utilities are allowed to be recovered from customers through prices approved in the regulatory process. These costs are recognized as the associated revenues are billed.

The regulated utilities accrue base revenues for services rendered but unbilled to provide a closer matching of revenues and expenses.

Tampa Electric's objectives of stabilizing prices through 1999 and securing fair earnings opportunities during this period were accomplished through a series of agreements entered into in 1996 with the Florida Office of Public Counsel)OPC) and the Florida Industrial Power Users Group (FIPUG) which were approved by the FPSC. Prior to these agreements, the FPSC approved a plan submitted by Tampa Electric to defer certain 1995 revenues.

In general, under these agreements Tampa Electric was allowed to defer revenues in 1995 and 1996 during the construction of Polk Unit One and recognize these revenues in 1997 and 1998 after commercial operation of the unit. Other components of the agreements were: a base rate freeze through 1999; refunds to customers totaling $50 million during the period October 1996 through December 1998; elimination of the oil backout tariff as of January 1996, reducing annual revenues by approximately $12 million; and recovery of the capital costs incurred for the Polk Unit One project.

Under these agreements Tampa Electric's allowed return on equity (ROE) was established at an 11.75 percent midpoint with a range of 10.75 percent to 12.75 percent. Revenues were deferred for use by the company in 1997 and 1998 according to formulas that varied by year based upon the earned ROE. In 1998, all revenues above the top of the ROE range were held for refund to customers.

For 1995, Tampa Electric deferred $51 million of revenues under this plan. The deferred revenues accrued interest at the 30-day commercial paper rate as specified in the Florida Administrative Code. For 1996, the company deferred $37 million. This amount and the deferred revenues and interest from 1995 (less $25 million of refunds) provided $62 million for recognition by the company for 1997 and 1998. Revenues in 1997 and 1998 were lower by $5 million and $20 million, respectively, as a result of a temporary base rate reduction that was a component of the stipulations.

Based on FPSC decisions, the company recognized $27 million for 1997 and $34 million for 1998 of the revenues and interest deferred from 1995 and 1996. After recognizing $10 million of interest accrued over the deferral period, the FPSC ordered $11 million plus interest to be refunded to customers in 2000. In November 1999, FIPUG protested the FPSC decisions for both years and requested a hearing to review a wide range of costs incurred by the company over the two-year period. The FPSC ordered that the $11 million refund be withheld with interest until the protest was heard and resolved.

In August 2000, the FPSC approved a stipulation entered into between Tampa Electric, FIPUG and OPC that provided for a $13 million refund to customers from September through December 2000. This amount generally represented the $11 million refund amount previously determined plus interest.

As part of its series of agreements with OPC and FIPUG, Tampa Electric also agreed to refund 60 percent of 1999 revenues that contributed to an ROE in excess of 12 percent, as calculated and approved by the FPSC.

In October 2000, the FPSC staff recommended that Tampa Electric's 1999 refund be $6.1 million including interest, to be refunded to customers beginning Jan. 1, 2001. OPC objected to certain Tampa Electric interest expenses recognized in 1999 associated with prior tax positions and used to calculate the amount to be refunded. Following a review by the FPSC staff, the FPSC agreed in December 2000 that the original $6.1 million was to be refunded to customers. Tampa Electric agreed to begin the refund beginning as early as February 2001; however, on Feb. 7, 2001, OPC protested the FPSC's refund decision. The protest claims that the stipulations do not allow for the inclusion of the interest expenses on income tax positions in the refund calculations. Hearing dates to resolve the 1999 refund are scheduled for August 2001. The refund was expected by Tampa Electric and was appropriately accounted for in 1999 and 2000. This refund was the last issue remaining under the deferred revenue plan.

The regulatory arrangements described above covered periods that ended on Dec. 31, 1999. Tampa Electric's rates and its 11.75 percent allowed rate of return on common equity midpoint will continue in effect until such time as changes are occasioned by an agreement approved by FPSC or other FPSC actions as a result of rate or other proceedings initiated by Tampa Electric, FPSC staff or other interested parties. Tampa Electric believes that its currently allowed ROE range is reasonable based on the current interest rate environment and previous FPSC rulings.

Depreciation

The company provides for depreciation primarily by the straight-line method at annual rates that amortize the original cost, less net salvage, of depreciable property over its estimated service life. The provision for utility plant in service, expressed as a percentage of the original cost of depreciable property, was 4.1% for 2000, 4.0% for 1999 and 4.1% for 1998.

The original cost of utility plant retired or otherwise disposed of and the cost of removal less salvage are charged to accumulated depreciation.

Asset Impairment

The company periodically assesses whether there has been a permanent impairment of its long-lived assets and certain intangibles held and used by the company, in accordance with FAS 121, Accounting for the Impairment of Long-lived Assets and Long-Lived Assets to be Disposed of. No write-down of assets due to impairment was required in 2000 or 1999.

Reporting Comprehensive Income

The company has adopted FAS 130, Reporting Comprehensive Income. This standard requires that comprehensive income, which includes net income as well as certain changes in assets and liabilities recorded in common equity, be reported in the financial statements. There were no components of comprehensive income other than net income for the years ended Dec. 31, 2000 and 1999.

Reporting on the Costs of Start-up Activities

In 1999, the company adopted AICPA Statement of Position (SOP) 98-5, Reporting on the Costs of Start-up Activities. It requires costs of start-up activities and organization costs to be expensed as incurred. Start-up activities are broadly defined as those one-time activities related to events such as opening a new facility, conducting business in a new territory and organizing a new entity. Some costs, such as the costs of acquiring or constructing long-lived assets and bringing them into service, are not subject to SOP 98-5. The costs expensed in 2000 and 1999 in accordance with SOP 98-5 were not significant.

Accounting for Contracts Involved in Energy Trading and Risk Management Activities

In 1998, the FASB's Emerging Issues Task Force (EITF) released Issue 98-10, Accounting for Contracts Involved in Energy Trading and Risk Management Activities, effective for fiscal years beginning after Dec. 15, 1998. EITF 98-10 requires contracts for the purchase and sale of energy commodities that are determined to be trading activities or contracts as defined in the Issue, be valued at market on the balance sheet date, and the resulting gain or loss reflected in earnings. At Dec. 31, 2000 and 1999, the company did not have any contracts for the purchase or sale of energy that would be classified as trading activities as defined in EITF 98-10.

Deferred Income Taxes

The liability method is utilized in the measurement of deferred income taxes. Under the liability method, the temporary differences between the financial statement and tax bases of assets and liabilities are reported as deferred taxes measured at current tax rates. Tampa Electric and Peoples Gas System are regulated, and their books and records reflect approved regulatory treatment, including certain adjustments to accumulated deferred income taxes and the establishment of a corresponding regulatory tax liability reflecting the amount payable to customers through future rates.

Investment Tax Credits

Investment tax credits have been recorded as deferred credits and are being amortized to income tax expense over the service lives of the related property.

Other Deferred Credits

Other deferred credits primarily include the accrued postretirement benefit liability and the pension liability.

Allowance for Funds Used During Construction (AFUDC)

AFUDC is a non-cash credit to income with a corresponding charge to utility plant which represents the cost of borrowed funds and a reasonable return on other funds used for construction. The rate used to calculate AFUDC is revised periodically to reflect significant changes in Tampa Electric's cost of capital. The rate was 7.79% for 2000, 1999 and 1998. Total AFUDC for 2000 and 1999 was $2.3 million and $1.8 million, respectively. There were no qualifying projects in 1998. The base on which AFUDC is calculated excludes construction work in progress which has been included in rate base.

Accounting for Derivative Instruments and Hedging

In 1998, the Financial Accounting Standards Board (FASB) issued Financial Accounting Standard (FAS) 133, Accounting for Derivative Instruments and Hedging. This standard was initially to be effective for fiscal years beginning after June 15, 1999. In July 1999, the FASB delayed the effective date of this pronouncement until fiscal years beginning after June 15, 2000. The new standard requires an entity to recognize derivatives as either assets or liabilities in the financial statements, to measure those instruments at fair value and to reflect the changes in fair value of those instruments as either components of comprehensive income or in net income, depending on the types of those instruments.

The company has completed the review and documentation of its derivative contracts, and found that such activity has been minimal and relatively short-term in duration From time to time, the company has entered into futures, swaps and options contracts to limit exposure to gas price increases. As of Dec. 31, 2000 the company did not have any derivative or hedging transactions in place that require an opening adjustment to the financial statements for Jan. 1, 2001. Management will continue to document all current, new and possible uses of derivatives, and develop procedures and methods for measuring them.

Reclassifications

Certain prior year amounts were reclassified to conform with current year presentation.

B. Common Stock

The company is a wholly owned subsidiary of TECO Energy, Inc.

	Common Stock		Issue	
(thousands)	Shares	Amount	Expense	Total
Balance Dec. 31, 1997	10	$ 972.8	$(0.7)	$ 972.1
Contributed capital from parent	-	54.0	--	54.0
Balance Dec. 31, 1998	10	1,026.8	(0.7)	1,026.1
Contributed capital from parent	-	17.0	--	17.0
Balance Dec. 31, 1999	10	1,043.8	(0.7)	1,043.1
Contributed capital from parent	-	105.0	--	105.0
Balance Dec. 31, 2000	10	$1,148.8	$(0.7)	$1,148.1

C. Retained Earnings

Tampa Electric's first mortgage bonds and certain of Peoples Gas System's long-term debt issues contain provisions that limit the dividend payment on the company's common stock. At Dec. 31, 2000, substantially all of the company's retained earnings were available for dividends on its common stock.

D. Retirement Plan

Tampa Electric is a participant in the comprehensive retirement plan of TECO Energy, including a non-contributory defined benefit retirement plan which covers substantially all employees. Benefits are based on employees' age, years of service and final average salary. Effective April 1, 2000, the plan was amended to provide for benefits to be earned and payable substantially on a lump sum basis through an age and service credit schedule for eligible participants leaving the company on or after July 1, 2001. Other significant provisions of the plan, such as eligibility, definitions of credited service, final average earnings, etc., remain largely unchanged. This amendment resulted in decreased pension expense of approximately $2.0 million in 2000 and a reduction of benefit obligation of $14.4 million at Dec. 31, 2000

TECO Energy's policy is to fund the plan within the guidelines set by ERISA for the minimum annual contribution and the maximum allowable as a tax deduction by the IRS. About 68 percent of plan assets were invested in common stocks and 32 percent in fixed income investments at Dec. 31, 2000.

Amounts prior to 1999 have been restated to include the unfunded obligations for the supplemental executive retirement plan, a non-qualified, non-contributory defined benefit retirement plan available to certain senior management. TECO Energy reported $2 million of comprehensive income in 2000 and $5.5 million of comprehensive loss in 1999 related to adjustments to the minimum pension liability associated with the supplemental executive retirement plan.

In 1997, the Financial Accounting Standards Board issued FAS 132, Employers' Disclosures about Pensions and Other Post Retirement Benefits. FAS 132 standardizes the disclosure requirements for pension and other postretirement benefits with additional information required on changes in the benefit obligations and fair values of plan assets.

Components of net pension expense, reconciliation of the funded status and the accrued pension liability are presented below for TECO Energy consolidated.

Components of Net Pension Expense (millions)	2000	1999	1998
Service cost (benefits earned during the period)	$10.7	$12.9	$11.7
Interest cost on projected benefit obligations	27.5	27.2	26.5
Expected return on plan assets	(40.8)	(34.6)	(31.5)
Amortization of:			
Unrecognized transition asset	(1.0)	(0.9)	(0.9)
Prior service cost	0.2	1.2	1.2
Actuarial (gain) loss	(5.6)	5.2	1.2
Net pension expense	(9.0)	11.0	8.2
Special termination benefit charge	1.1	--	0.7
Curtailment charge	--	--	(0.8)
Net pension expense recognized in the Consolidated Statements of Income (1)	$ (7.9)	$11.0	$ 8.1

(1) Tampa Electric Company's portion was ($9.4) million, $1.8 million and $2.1 million for 2000, 1999 and 1998, respectively.

Reconciliation of the Funded Status of the Retirement Plan and the Accrued Pension Prepayment/(Liability) (millions)

	Dec. 31, 2000	Dec. 31, 1999
Project benefit obligation, beginning of year	$360.4	$414.9
Change in benefit obligation due to:		
Service cost	10.7	12.9
Interest cost	27.5	27.2
Actuarial (gain) loss	17.8	(68.1)
Plan Amendments	(14.4)	--
Special termination benefits	1.1	--
Gross benefits paid	(23.2)	(26.5)
Projected benefit obligation, end of year	379.9	360.4
Fair value of plan assets, beginning of year	512.1	468.7
Change in plan assets due to:		
Actual return on plan assets	6.2	65.3
Employer contributions	1.6	7.6
Gross benefits paid (including expenses)	(26.1)	(29.5)
Fair value of plan assets, end of year	493.8	512.1
Funded status, end of year	113.9	151.7
Unrecognized net actuarial gain	(127.8)	(188.6)
Unrecognized prior service cost	(3.3)	11.3
Unrecognized net transition asset	(4.7)	(5.7)
Accrued pension liability	$(21.9)	$(31.3)

Assumptions Used in Determining Actuarial Valuations

	2000	1999
Discount rate to determine projected benefit obligation	7.50%	7.75%
Rates of increase in compensation levels	3.3-5.3%	3.3-5.3%
Plan asset growth rate through time	9%	9%

E. Postretirement Benefit Plan

Tampa Electric Company currently provides certain postretirement health care benefits for substantially all employees retiring after age 55 meeting certain service requirements. The company contribution toward health care coverage for most employees retiring after Jan. 1, 1990 and before July 1, 2001, is limited to a defined dollar benefit based on years of service. Effective April 1, 2000, the company adopted changes to this program for participants retiring from the company on or after July 1, 2001, after age 50 that meet certain service requirements. The company contribution toward pre-65 and post-65 health care coverage for most employees retiring on or after July 1, 2001, is limited to a defined dollar benefit based on an age and service schedule. The impact of this amendment includes a change in the company's commitment for future retirees combined with a grandfathering provision for current retired participants which results in an increase in the benefit obligation of $22.9 million. Postretirement benefit levels are substantially unrelated to salary. Tampa Electric Company reserves the right to terminate or modify the plans in whole or in part at any time. Amounts prior to 1999 have been restated to include life insurance benefits.

Components of Postretirement Benefit Cost (millions)

	2000	1999	1998
Service cost (benefits earned during the period)	$ 2.0	$ 2.2	$1.6
Interest cost on projected benefit obligations	7.0	5.2	4.8
Amortization of transition obligation (straight line over 20 years)	2.1	2.1	2.1
Amortization of prior service cost	1.5	0.5	0.5
Amortization of actuarial loss/(gain)	(0.2)	0.2	(0.1)
Special termination benefits	0.2	--	--
Additional amounts recognized	(0.2)	--	--
Net periodic Postretirement benefit expense	$12.4	$10.2	$8.9

Reconciliation of the Funded Status of the Postretirement Benefit Plan and the Accrued Liability (millions)

	Dec. 31, 2000	Dec. 31, 1999
Accumulated postretirement benefit obligation, beginning of year	$ 71.1	$ 72.8
Change in benefit obligation due to:		
Service cost	2.0	2.2
Interest cost	7.0	5.2
Plan participants' contributions	0.9	0.3
Special termination benefits	0.2	--
Actuarial (gain) loss	6.8	(4.8)
Plan amendments	21.5	--
Gross benefits paid	(5.6)	(3.6)
Accumulated postretirement benefit obligation, end of year	$ 103.9	$ 71.1
Funded status, end of year	$(103.9)	$(71.1)
Unrecognized net loss from past experience	6.6	(0.5)
Unrecognized prior service cost	25.1	5.1
Unrecognized transition obligation	25.3	27.4
Liability for accrued postretirement benefit	$ (46.9)	$(39.1)

Assumptions Used in Determining Actuarial Valuations

	2000	1999
Discount rate to determine projected benefit obligation	7.5%	7.75%

The assumed health care cost trend rate for medical costs prior to age 65 was 7.25% in 2000 and decreases to 5.0% in 2002 and thereafter. The assumed health care cost trend rate for medical costs after age 65 was 6.25% in 2000 and decreases to 5.0% in 2002 and thereafter.

A 1-percent increase in the medical trend rates would produce a 10-percent ($0.9 million) increase in the aggregate service and interest cost for 2000 and a 9-percent ($8.9 million) increase in the accumulated postretirement benefit obligation as of Dec. 31, 2000.

A 1-percent decrease in the medical trend rates would produce an 8-percent ($0.8 million) decrease in the aggregate service and interest cost for 2000 and a 7-percent ($7.9 million) decrease in the accumulated postretirement benefit obligation as of Dec. 31, 2000.

F. Short-term Debt

Notes payable consisted primarily of commercial paper with weighted average interest rates of 6.53% and 5.95% at Dec. 31, 2000 and 1999, respectively. The carrying amount of notes payable approximated fair market value because of the short maturity of these instruments. Unused lines of credit at Dec. 31, 2000 were $230 million. Certain lines of credit require commitment fees of .05% on the unused balances.

G. Income Tax Expense

The company is included in the filing of a consolidated Federal income tax return with its parent and affiliates. The company's income tax expense is based upon a separate return computation. Income tax expense consists of the following components:

(millions)	Federal	State	Total
2000			
Currently payable	$128.3	$ 11.4	$139.7
Deferred	(42.5)	3.1	(39.4)
Amortization of investment tax credits	(4.6)	-	(4.4)
Total income tax expense	$ 81.4	$ 14.5	95.9
Included in other income, net			0.2
Included in operating expenses			$ 95.7
1999			
Currently payable	$ 89.2	$ 12.4	$101.6
Deferred	(16.2)	.5	(15.7)
Amortization of investment tax credits	(4.6)	-	(4.6)
Total income tax expense	$ 68.4	$ 12.9	81.3
Included in other income, net			(0.4)
Included in operating expenses			$ 81.7
1998			
Currently payable	$ 52.8	$ 9.3	$ 62.1
Deferred	24.7	3.8	28.5
Amortization of investment tax credits	(4.6)	-	(4.6)
Total income tax expense	$ 72.9	$ 13.1	86.0
Included in other income, net			(0.3)
Included in operating expenses			$ 86.3

Deferred taxes result from temporary differences in the recognition of certain liabilities or assets for tax and financial reporting purposes. The principal components of the company's deferred tax assets and liabilities recognized in the balance sheet are as follows:

(millions)	Dec. 31, 1999	Dec. 31, 1999
Deferred tax assets(1)		
Property related	$ 99.3	$ 94.3
Leases	4.2	4.5
Insurance reserves	14.7	12.4
Early capacity payments	2.2	2.2
Other	3.9	8.2
Total deferred income tax assets	124.3	121.6
Deferred income tax liabilities(1)		
Property related	(436.3)	(484.7)
Other	11.8	26.4
Total deferred income tax liabilities	(424.5)	(458.3)
Accumulated deferred income taxes	$(300.2)	$(336.7)

(1) Certain property related assets and liabilities have been netted.

The total income tax provisions differ from amounts computed by applying the federal statutory tax rate to income before income taxes for the following reasons:

(millions)	2000	1999	1998
Net income	$166.3	$144.9	$146.4
Total income tax provision	95.9	81.3	86.0
Income before income taxes	$262.2	$226.2	$232.4
Income taxes on above at federal statutory rate of 35%	$ 91.7	$ 79.1	$ 81.3
Increase (decrease) due to			
State income tax, net of federal income tax	9.5	8.4	8.5
Amortization of investment tax credits	(4.4)	(4.6)	(4.6)
Equity portion of AFUDC	(0.5)	--	--
Other	(0.4)	(1.6)	0.8
Total income tax provision	$ 95.9	$ 81.3	$ 86.0
Provision for income taxes as a percent of income before income taxes	36.6%	35.9%	37.0%

H. Related Party Transactions (millions)

Net transactions with affiliates are as follows:

	2000	1999	1998
Fuel and interchange related, net	$181.6	$130.0	$149.6
Administrative and general, net	$ 32.7	$ 15.5	$ 13.5

Amounts due from or to affiliates of the company at year-end are as follows:

	2000	1999
Accounts receivable	$ 14.3	$ 6.5
Accounts payable	$ 40.9	$ 28.1

Accounts receivable and accounts payable were incurred in the ordinary course of business and do not bear interest.

I. Charges to earnings

In 1999 and 1998 the company recognized certain charges that were unusual and nonrecurring in nature.

1999 Charges

The charges in 1999 totaled $18.3 million pretax ($13.7 million after tax) and consisted of the following:

Tampa Electric recorded a charge of $10.5 million ($6.4 million after tax) based on FPSC audits of its 1997 and 1998 earnings, which among other things, limited its regulatory equity ratio to 58.7 percent, a decrease of 91 basis points and 224 basis points from 1997's and 1998's ratios, respectively.

Tampa Electric also recorded a charge of $3.5 million after tax, representing management's estimate of additional expense to resolve the litigation filed by the United States Environmental Protection Agency.

A net after-tax charge, after recovery under the then current regulatory agreement totaling $3.8 million was also recognized reflecting corporate income tax provisions and settlements related to prior years' tax returns.

1998 Charges

In 1998, Tampa Electric recognized charges totaling $16.9 million, pretax ($10.3 million, after tax). These charges consisted of the following:

The FPSC in September 1997 ruled that under the regulatory agreements effective through 1999 the costs associated with two long-term wholesale power sales contracts should be assigned to the wholesale jurisdiction and that for retail rate making purposes the costs transferred from retail to wholesale should reflect average costs rather than the lower incremental costs on which the two contracts are based. As a result of this decision and the related reduction of the retail rate base upon which Tampa Electric is allowed to earn a return, these contracts became uneconomic. One contract was terminated in 1997. As to the other contract, which expires in 2001, Tampa Electric entered into firm power purchase contracts with third parties to provide replacement power through 1999 and is no longer separating the associated generation assets from the retail jurisdiction. The cost of purchased power under these contracts exceeded the revenues expected through 1999. To reflect this difference, Tampa Electric recorded a $9.6 million charge ($5.9 million after tax) in 1998. In November 1999, the FPSC approved a company-proposed

treatment for the remaining 14 ½ months of the contract that flows 100 percent of the revenues from the contract back to retail customers.

Tampa Electric also recorded a charge of $7.3 million ($4.4 million after tax) in other expense for an FPSC decision in 1998 denying recovery of certain BTU coal quality price adjustments for coal purchases from TECO Coal since 1993.

J. Commitments and Contingencies

Tampa Electric's capital investments are estimated to be $186 million in 2001 and $648 million for 2002 through 2005 for equipment and facilities to meet customer growth and generation reliability programs. Additionally, Tampa Electric is also expecting to spend $167 million in 2001 and $459 million during 2002-2005 to repower the Gannon Power Station and is forecasting $20 million in 2001 and $19 million during 2002-2005 to construct additional generation expansion. At the end of 2000, Tampa Electric had outstanding commitments of about $300 million primarily for the repowering project at Gannon Power Station.

Peoples Gas System's capital investments are estimated to be $73 million for 2001 and $251 million for 2002 through 2005 for infrastructure expansion to grow the customer base and normal asset replacement.

Tampa Electric Company is a potentially responsible party for certain superfund sites and, through its Peoples Gas System division, for certain former manufactured gas plant sites. While the joint and several liability associated with these sites presents the potential for significant response costs, Tampa Electric Company estimates its ultimate financial liability at approximately $22 million over the next 10 years. The environmental remediation costs associated with these sites have been recorded on the accompanying consolidated balance sheet and are not expected to have a significant impact on customer prices.

K. Segment Information

Tampa Electric Company is a public utility operating within the state of Florida. Through its Tampa Electric division, it is engaged in the generation, purchase, transmission, distribution and sale of electric energy to more than 568,000 customers in West Central Florida. Its Peoples Gas System division is engaged in the purchase, distribution and marketing of natural gas for more than 262,000 residential, commercial, industrial and electric power generation customers in the State of Florida. FAS 131 was adopted in 1998, and all prior years presented here have been restated to conform to the requirements of FAS 131.

(millions)	Revenues	Income From Operations(1)	Net Income	Depreciation	Assets at Dec. 31,	Capital Expenditures for the Year
2000						
Tampa Electric	$1,353.8 (2)	$211.0 (4)	$144.5(6)	$161.6	$3,014.2	$267.1
Peoples Gas System	314.5	33.8	21.8	25.7	535.6	82.2
Other and eliminations	(0.9)	--	--	--	--	--
Tampa Electric Company	$1,667.4	$244.8	$166.3	$187.4	$3,549.8	$349.3
1999						
Tampa Electric	$1,199.8(2)(3)(4)	$195.0 (4)	$138.8(6)	$147.6	$2,889.4	$228.7
Peoples Gas System	251.7	30.5	19.8	23.1	433.1	77.8
Other and eliminations	(0.6)	--	--	--	--	--
Charges (see Note I)	7.9	7.9	(13.7)	--	--	--
Tampa Electric Company	$1,458.8	$233.4	$144.9	$170.7	$3,322.5	$306.5
1998						
Tampa Electric	$1,234.6 (2)(3)	$203.4 (5)	$141.2(6)	$146.1	$2,770.9	$176.2
Peoples Gas System	252.8	25.8	15.5	21.1	375.6	55.9
Charges (see Note I)	--	(9.6)	(10.3)	--	--	--
Tampa Electric Company	$1,487.4	$219.6	$146.4	$167.2	$3,146.5	$232.1

(1) Operating income is net of income tax expense. Total income tax expense was $95.8 million, $81.7 million and $86.3 million in 2000, 1999 and 1998, respectively.

(2) Revenues from sales to affiliates were $32.3 million, $24.1 million and $23.2 million in 2000, 1999 and 1998, respectively.

(3) Revenues shown in 1999 include the reversal of previously deferred revenue of $11.9 million. Revenues shown in 1998 include the recognition of previously deferred revenue of $38.3 million.

(4) Revenues and Operating income as shown for 1999 exclude a $7.9 million credit resulting from a non-recurring charge. See Note I.

(5) Operating income excludes a non-recurring pretax charge of $9.6 million in 1998. See Note I.

(6) Net income excludes non-recurring after tax charges totaling $13.7 million and $10.3 million in 1999 and 1998, respectively. See Note I.

Item 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE.

During the period Jan. 1, 1999 to the date of this report, the company has not had and has not filed with the Commission a repo as to any changes in or disagreements with accountants on accounting principles or practices, financial statement disclosure, or auditi scope or procedure.

PART IV

Item 14. EXHIBITS, FINANCIAL STATEMENT SCHEDULES AND REPORTS ON FORM 8-K.

(a) 1. Financial Statements - See index on page 21.
2. Financial Statement Schedules - See index on page 21.

VALUATION AND QUALIFYING ACCOUNTS AND RESERVES
For the Years ended Dec. 31, 2000, 1999 and 1998
(millions)

	Balance at Beginning of Period	Additions: Charged to Income	Additions: Other Charges	Deductions(1)	Balance at End of Period
Allowance for Uncollectible Accounts:					
2000	$ 1.1	$ 5.6	$ --	$ 4.7	$ 2.0
1999	0.6	5.7	--	5.2	1.1
1998	0.9	4.5	--	4.8	0.6

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(1) Write-off of individual bad debt accounts

3. Exhibits

*3.1	Articles of Incorporation (Exhibit 3.1 to Registration Statement No. 2-70653).
*3.2	Bylaws, as amended, effective April 16, 1997 (Exhibit 3, Form 10-Q for the quarter ended June 30, 1997 of Tampa Electric Company).
*4.1	Indenture of Mortgage among Tampa Electric Company, State Street Trust Company and First Savings & Trust Company of Tampa, dated as of Aug. 1, 1946 (Exhibit 7-A to Registration Statement No. 2-6693).
*4.2	Thirteenth Supplemental Indenture, dated as of Jan. 1, 1974, to Exhibit 4.1 (Exhibit 2-g-l, Registration Statement No. 2-51204).
*4.3	Sixteenth Supplemental Indenture, dated as of Oct. 30, 1992, to Exhibit 4.1 (Exhibit 4.1, Form 10-Q for the quarter ended Sept. 30, 1992 of Tampa Electric Company).
*4.4	Eighteenth Supplemental Indenture, dated as of May 1, 1993, to Exhibit 4.1 (Exhibit 4.1, Form 10-Q for the quarter ended June 30, 1993).
*4.5	Installment Purchase and Security Contract between the Hillsborough County Industrial Development Authority and Tampa Electric Company, dated as of March 1, 1972 (Exhibit 4.9, Form 10-K for 1986 of Tampa Electric Company).
*4.6	First Supplemental Installment Purchase and Security Contract, dated as of Dec. 1, 1974 (Exhibit 4.10, Form 10-K for 1986 of Tampa Electric Company).
*4.7	Third Supplemental Installment Purchase Contract, dated as of May 1, 1976 (Exhibit 4.12, Form 10-K for 1986 of Tampa Electric Company).
*4.8	Installment Purchase Contract between the Hillsborough County Industrial Development Authority and Tampa Electric Company, dated as of Aug. 1, 1981 (Exhibit 4.13, Form 10-K for 1986 of Tampa Electric Company).
*4.9	Amendment to Exhibit A of Installment Purchase Contract, dated as of April 7, 1983 (Exhibit 4.14, Form 10-K for 1989 of Tampa Electric Company).
*4.10	Second Supplemental Installment Purchase Contract, dated as of June 1, 1983 (Exhibit 4.11, Form 10-K for 1994 of Tampa Electric Company).
*4.11	Third Supplemental Installment Purchase Contract, dated as of Aug. 1, 1989 (Exhibit 4.16, Form 10-K for 1989 of Tampa Electric Company).
*4.12	Installment Purchase Contract between the Hillsborough County Industrial Development Authority and Tampa Electric Company, dated as of Jan. 31, 1984 (Exhibit 4.13, Form 10-K for 1993 of Tampa Electric Company).
*4.13	First Supplemental Installment Purchase Contract, dated as of Aug. 2, 1984 (Exhibit 4.14, Form 10-K for 1994 of Tampa Electric Company).
*4.14	Second Supplemental Installment Purchase Contract, dated as of July 1, 1993 (Exhibit 4.3, Form 10-Q for the quarter ended June 30, 1993).
*4.15	Loan and Trust Agreement among the Hillsborough County Industrial Development Authority, Tampa Electric Company and NCNB National Bank of Florida, dated as of Sept. 24, 1990 (Exhibit 4.1, Form 10-Q for the quarter ended Sept. 30, 1990 of Tampa Electric Company).
*4.16	Loan and Trust Agreement among the Hillsborough County Industrial Development Authority, Tampa Electric Company and NationsBank of Florida, N.A., as trustee, dated as of Oct. 26, 1992 (Exhibit 4.2, Form 10-Q for the quarter ended Sept. 30, 1992 of Tampa Electric Company).
*4.17	Loan and Trust Agreement among the Hillsborough County Industrial Development Authority, Tampa Electric Company and NationsBank of Florida, N.A., as trustee, dated as of June 23, 1993 (Exhibit 4.2, Form 10-Q for the quarter ended June 30, 1993 of Tampa Electric Company).
*4.18	Loan and Trust Agreement, among the Polk County Industrial Development Authority, Tampa Electric Company and the Bank of New York, as trustee, dated as of Dec. 1, 1996 (Exhibit 4.18, Form 10-K for 1996 of Tampa Electric Company).
*4.19	Indenture between Tampa Electric Company and The Bank of New York as trustee, dated as of July 1, 1998 (Exhibit 4.1 to Registration Statement No. 333-55873)
*4.20	First Supplemental Indenture between Tampa Electric Company and The Bank of New York, as trustee, dated as of July 15, 1998 (Exhibit 4.1, Form 8-K dated July 28, 1998 of Tampa Electric Company).
*4.21	Second Supplemental Indenture between Tampa Electric Company and The Bank of New York, dated as of Aug. 15, 2000 (Exhibit 4.1, form 8-K dated Aug. 22, 2000 of Tampa Electric Company).
*10.1	TECO Energy Group Supplemental Executive Retirement Plan, as amended and restated as of Oct. 16, 1996 (Exhibit 10.3, Form 10-K for 1996 of Tampa Electric Company).
*10.2	TECO Energy Group Supplemental Retirement Benefits Trust Agreement, as amended and restated as of Jan. 15, 1997 (Exhibit 10.4, Form 10-K for 1996 of Tampa Electric Company).

*10.3	Annual Incentive Compensation Plan for TECO Energy and subsidiaries, as revised Jan. 20, 1999. (Exhibit 10.4, Form 10-K for 1998 of Tampa Electric Company).
*10.4	TECO Energy, Inc. Group Supplemental Disability Income Plan, dated as of March 20, 1989 (Exhibit 10.19, Form 10-K for 1988 of Tampa Electric Company).
*10.5	Forms of Severance Agreements between TECO Energy, Inc. and certain officers, as amended and restated as of Oct. 22, 1999 (Exhibit 10.5, Form 10-K for 1999 of Tampa Electric Company).
*10.6	TECO Energy, Inc. 1991 Director Stock Option Plan as amended on Jan. 21, 1992 (Exhibit 10.20, Form 10-K for 1991 of Tampa Electric Company).
*10.7	Supplemental Executive Retirement Plan for H.L. Culbreath, as amended on April 27, 1989 (Exhibit 10.14, Form 10-K for 1989 of TECO Energy, Inc.).
*10.8	TECO Energy Directors' Deferred Compensation Plan, as amended and restated effective April 1, 1994 (Exhibit 10.1, Form 10-Q for the quarter ended March 31, 1994 of Tampa Electric Company).
*10.9	TECO Energy Group Retirement Savings Excess Benefit Plan, as amended and restated effective as of July 15, 1998. (Exhibit 10.13, Form 10-K for 1998 of Tampa Electric Company).
*10.10	Form of Nonstatutory Stock Option under the TECO Energy, Inc. 1996 Equity Incentive Plan (Exhibit 10.1, Form 10-Q for the quarter ended June 30, 1996 of Tampa Electric Company).
*10.11	Form of Amendment to Nonstatutory Stock Option, dated as of July 15, 1998, under the TECO Energy, Inc. 1996 Equity Incentive Plan (Exhibit 10.3, Form 10-Q for the quarter ended Sept. 30, 1998 of Tampa Electric Company).
*10.12	Form of Nonstatutory Stock Option under the TECO Energy, Inc. 1996 Equity Incentive Plan (Exhibit 10.5, Form 10-Q for the quarter ended June 30, 1999 of Tampa Electric Company).
*10.13	Form of Restricted Stock Agreement between TECO Energy, Inc. and certain officers under the TECO Energy, Inc. 1996 Equity Incentive Plan (Exhibit 10.1, Form 10-Q for the quarter ended June 30, 1998 of Tampa Electric Company).
*10.14	Form of Amendment to Restricted Stock Agreements, dated as of July 15, 1998, between TECO Energy, Inc. and certain officers under the TECO Energy, Inc. 1996 Equity Incentive Plan (Exhibit 10.2, Form 10-Q for the quarter ended Sept. 30, 1998 of Tampa Electric Company).
*10.15	TECO Energy, Inc. 1997 Director Equity Plan (Exhibit 10.1, Form 8-K dated April 16, 1997 of Tampa Electric Company).
*10.16	Form of Nonstatutory Stock Option under the TECO Energy, Inc. 1997 Director Equity Plan (Exhibit 10, Form 10-Q for the quarter ended June 30, 1997 of Tampa Electric Company).
*10.17	Supplemental Executive Retirement Plan for R. D. Fagan as of May 24, 1999 (Exhibit 10.1, Form 10-Q for the quarter ended June 30, 1999 of Tampa Electric Company).
*10.18	Terms of R. D. Fagan's employment, dated as of May 24, 1999 (Exhibit 10.2, Form 10-Q for the quarter ended June 30, 1999 of Tampa Electric Company).
*10.19	Nonstatutory Stock Option granted to R. D. Fagan, dated as of May 24, 1999 (Exhibit 10.3, Form 10-Q for the quarter ended June 30, 1999 of Tampa Electric Company).
*10.20	Restricted Stock Agreement between TECO Energy, Inc. and R. D. Fagan, dated as of May 24, 1999 (Exhibit 10.4, Form 10-Q for the quarter ended June 30, 1999 of Tampa Electric Company).
*10.21	Form of Performance Shares Agreement between TECO Energy, Inc. and certain officers under the TECO Energy, Inc. 1996 Equity Incentive Plan. (Exhibit 10.2, Form 10-Q for the quarter ended June 30, 2000 of Tampa Electric Company).
*10.22	Form of Replacement Performance Shares Agreement between TECO Energy, Inc. and certain officers under the TECO Energy, Inc. 1996 Equity Incentive Plan. (Exhibit 10.1, Form 10-Q for the quarter ended June 30, 2000 of Tampa Electric Company).
12.	Ratio of earnings to fixed charges.
23.	Consent of Independent Certified Public Accountants.
24.1	Power of Attorney.
24.2	Certified copy of resolution authorizing Power of Attorney.
27.	Financial Data Schedule (EDGAR filing only).

* Indicates exhibit previously filed with the Securities and Exchange Commission and incorporated herein by reference. Exhibits filed with periodic reports of Tampa Electric Company and TECO Energy, Inc. were filed under Commission File Nos. 1-5007 and 1-8180, respectively.

Certain instruments defining the rights of holders of long-term debt of Tampa Electric Company authorizing in each case a total amount of securities not exceeding 10 percent of total assets on a consolidated basis are not filed herewith. Tampa Electric Company will furnish copies of such instruments to the Securities and Exchange Commission upon request.

Executive Compensation Plans and Arrangements

Exhibits 10.1 through 10.22 above are management contracts or compensatory plans or arrangements in which executive officers or directors of TECO Energy, Inc. and its subsidiaries participate.

(b) **Reports on Form 8-K**

Tampa Electric Company did not file any reports on Form 8-K during the last quarter of 2000.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized on the 28th day of March, 2001.

TAMPA ELECTRIC COMPANY

By R. D. FAGAN*
R. D. FAGAN, Chairman of the Board,
Director and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the registrant and in the capacities indicated on March 28, 2001:

Signature	Title
R. D. FAGAN* R. D. FAGAN	Chairman of the Board, Director and Chief Executive Officer (Principal Executive Officer)
/s/ G. L. GILLETTE G. L. GILLETTE	Vice President-Finance and Chief Financial Officer (Principal Financial Officer)
P. L. BARRINGER* P. L. BARRINGER	Vice President-Controller (Principal Accounting Officer)

Signature	Title	Signature	Title
C. D. AUSLEY* C. D. AUSLEY	Director	W. D. ROCKFORD* W. D. ROCKFORD	Director
S. L. BALDWIN* S. L. BALDWIN	Director	W. P. SOVEY* W. P. SOVEY	Director
H. L. CULBREATH* H. L. CULBREATH	Director	J. T. TOUCHTON* J. T. TOUCHTON	Director
J. L. FERMAN, JR.* J. L. FERMAN, JR.	Director	J. A. URQUHART* J. A. URQUHART	Director
L. GUINOT, JR.* L. GUINOT, JR.	Director	J. O. WELCH, JR.* J. O. WELCH, JR.	Director
T. L. RANKIN* T. L. RANKIN	Director		

*By: /s/ G. L. GILLETTE
G. L. GILLETTE, Attorney-in-fact

Supplemental Information to Be Furnished With Reports Filed Pursuant to Section 15(d) of the Act by Registrants Which Have Not Registered Securities Pursuant to Section 12 of the Act

No annual report or proxy material has been sent to Tampa Electric Company's security holders, since all of its equity securities are held by TECO Energy, Inc.

INDEX TO EXHIBITS

Exhibit No.	Description	Page No.
3.1	Articles of Incorporation (Exhibit 3.1 to Registration Statement No. 2-70653).	*
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4.3	Sixteenth Supplemental Indenture, dated as of Oct. 30, 1992, to Exhibit 4.1 (Exhibit 4.1, Form 10-Q for the quarter ended Sept. 30, 1992 of Tampa Electric Company).	*
4.4	Eighteenth Supplemental Indenture, dated as of May 1, 1993, to Exhibit 4.1 (Exhibit 4.1, Form 10-Q for the quarter ended June 30, 1993).	*
4.5	Installment Purchase and Security Contract between and the Hillsborough County Industrial Development Authority and Tampa Electric Company, dated as of March 1, 1972 (Exhibit 4.9, Form 10-K for 1986 of Tampa Electric Company).	*
4.6	First Supplemental Installment Purchase and Security Contract, dated as of Dec. 1, 1974 (Exhibit 4.10, Form 10-K for 1986 of Tampa Electric Company).	*
4.7	Third Supplemental Installment Purchase Contract, dated as of May 1, 1976 (Exhibit 4.12, Form 10-K for 1986 of Tampa Electric Company).	*
4.8	Installment Purchase Contract between the Hillsborough County Industrial Development Authority and Tampa Electric Company, dated as of Aug. 1, 1981 (Exhibit 4.13, Form 10-K for 1986 of Tampa Electric Company).	*
4.9	Amendment to Exhibit A of Installment Purchase Contract, dated as of April 7, 1983 (Exhibit 4.14, Form 10-K for 1989 of Tampa Electric Company).	*
4.10	Second Supplemental Installment Purchase Contract, dated as of June 1, 1983 (Exhibit 4.11, Form 10-K for 1994 of Tampa Electric Company).	*
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4.19	Indenture between Tampa Electric Company and The Bank of New York as trustee, dated as of July 1, 1998 (Exhibit 4.1 to Registration Statement No. 333-55873)	*
4.20	First Supplemental Indenture dated as of July 15, 1998 between Tampa Electric Company and The Bank of New York, as trustee (Exhibit 4.1, Form 8-K dated July 28, 1998 of Tampa Electric Company).	*

4.21	Second Supplemental Indenture dated as of Aug. 15, 2000 between Tampa Electric Company and The Bank of New York (Exhibit 4.1, Form 8-K dated Aug. 22, 2000 of Tampa Electric Company).	*
10.1	TECO Energy Group Supplemental Executive Retirement Plan, as amended and restated as of Oct. 16, 1996 (Exhibit 10.3, Form 10-K for 1996 of Tampa Electric Company).	*
10.2	TECO Energy Group Supplemental Retirement Benefits Trust Agreement as amended and restated as of Jan. 15, 1997 (Exhibit 10.4, Form 10-K for 1996 of Tampa Electric Company).	*
10.3	Annual Incentive Compensation Plan for TECO Energy and subsidiaries, revised Jan. 20, 1999 (Exhibit 10.4, Form 10-K for 1998 of Tampa Electric Company).	*
10.4	TECO Energy, Inc. Group Supplemental Disability Income Plan, dated as of March 20, 1989 (Exhibit 10.19, Form 10-K for 1988 of Tampa Electric Company).	*
10.5	Forms of Severance Agreements between TECO Energy, Inc. and certain senior officers, as amended and restated as of Oct. 22, 1999. (Exhibit 10.5, Form 10-K for 1999 of Tampa Electric Company).	*
10.6	TECO Energy, Inc. 1991 Director Stock Option Plan as amended on Jan. 31, 1992 (Exhibit 10.20, Form 10-K for 1991 of Tampa Electric Company).	*
10.7	Supplemental Executive Retirement Plan for H.L. Culbreath, as amended on April 27, 1989 (Exhibit 10.14, Form 10-K for 1989 of TECO Energy, Inc.).	*
10.8	TECO Energy Directors' Deferred Compensation Plan, as amended and restated effective April 1, 1994 (Exhibit 10.1, Form 10-Q for the quarter ended March 31, 1994 of Tampa Electric Company).	*
10.9	TECO Energy Group Retirement Savings Excess Benefit Plan, as amended and restated effective as of July 15, 1998. (Exhibit 10.13, Form 10-K for 1998 of Tampa Electric Company).	*
10.10	Form of Nonstatutory Stock Option under the TECO Energy, Inc. 1996 Equity Incentive Plan (Exhibit 10.1, Form 10-Q for the quarter ended June 30, 1996 of Tampa Electric Company).	*
10.11	Form of Amendment to Nonstatutory Stock Option, dated as of July 15, 1998, under the TECO Energy, Inc. 1996 Equity Incentive Plan (Exhibit 10.3, Form 10-Q for the quarter ended Sept. 30, 1998 of Tampa Electric Company).	*
10.12	Form of Nonstatutory Stock Option under the TECO Energy, Inc. 1996 Equity Incentive Plan (Exhibit 10.5, Form 10-Q for the quarter ended June 30, 1999 of Tampa Electric Company).	*
10.13	Form of Restricted Stock Agreement between TECO Energy, Inc. and certain officers under the TECO Energy, Inc. 1996 Equity Incentive Plan (Exhibit 10.1, Form 10-Q for the quarter ended June 30, 1998 of Tampa Electric Company).	*
10.14	Form of Amendment to Restricted Stock Agreements, dated as of July 15, 1998, between TECO Energy, Inc. and certain officers under the TECO Energy, Inc. 1996 Equity Incentive Plan (Exhibit 10.2, Form 10-Q for the quarter ended Sept. 30, 1998 of Tampa Electric Company).	*
10.15	TECO Energy, Inc. 1997 Director Equity Plan (Exhibit 10, Form 10-Q for the quarter ended June 30, 1997 of Tampa Electric Company).	*
10.16	Form of Nonstatutory Stock Option under the TECO Energy, Inc. 1997 Director Equity Plan (Exhibit 10, Form 10-Q for the quarter ended June 30, 1997 of Tampa Electric Company).	*
10.17	Supplemental Executive Retirement Plan for R. D. Fagan as of May 14, 1999 (Exhibit 10.1, Form 10-Q for the quarter ended June 30, 1999 of Tampa Electric Company).	*
10.18	Terms of R. D. Fagan's employment, dated as of May 24, 1999 (Exhibit 10.2, Form 10-Q for the quarter ended June 30, 1999 of Tampa Electric Company).	*
10.19	Nonstatutory Stock Option granted to R. D. Fagan, dated as of May 24, 1999 (Exhibit 10.3, Form 10-Q for the quarter ended June 30, 1999 of Tampa Electric Company).	*
10.20	Restricted Stock Agreement between TECO Energy, Inc. And R. D. Fagan, dated as of May 24, 1999. (Exhibit 10.4, Form 10-Q for the quarter ended June 30, 1999 of Tampa Electric Company).	*
10.21	Form of Performance Shares Agreement between TECO Energy, Inc. and certain officers under the TECO Energy, Inc. 1996 Equity Incentive Plan (Exhibit 10.26, Form 10-Q for the quarter ended June 30, 2000 of Tampa Electric Company).	*
10.22	Form of Replacement Performances Shares Agreement between TECO Energy, Inc. and certain officers officers under the TECO Energy, Inc. 1996 Equity Incentive Plan. (Exhibit 10.1, Form 10-Q for the quarter ended June 30, 2000 of Tampa Electric Company).	*

12.	Ratio of earnings to fixed charges.	[ ]
23.	Consent of Independent Certified Public Accountants.	[ ]
24.1	Power of Attorney.	[ ]
24.2	Certified copy of resolution authorizing Power of Attorney.	[ ]

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* Indicates exhibit previously filed with the Securities and Exchange Commission and incorporated herein by reference. Exhibits filed with periodic reports of Tampa Electric Company and TECO Energy, Inc. were filed under Commission File Nos. 1-5007 and 1-8180, respectively.

Exhibit 12

TAMPA ELECTRIC COMPANY

RATIO OF EARNINGS TO FIXED CHARGES

The following table sets forth the company's ratio of earnings to fixed charges for the periods indicated.

Year Ended December 31,				
2000	1999	1998	1997(3)	1996(3)
4.14x	3.82x(1)	4.51x(2)	4.38x	4.40x

For the purposes of calculating these ratios, earnings consist of income before income taxes and fixed charges. Fixed charges consist of interest on indebtedness, amortization of debt premium, the interest component of rentals and preferred stock dividend requirements.

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(1) Includes the effect of one-time, pretax charges totaling $18.3 million. The effect of these charges was to reduce the ratio of earnings to fixed charges. Had these charges been excluded from the calculation, the ratio of earnings to fixed charges would have been 4.61x for the year ended Dec. 31, 1999.

(2) Includes the effect of one-time, pretax charges totaling $16.9 million. The effect of these charges was to reduce the ratio of earnings to fixed charges. Had these charges been excluded from the calculation, the ratio of earnings to fixed charges would have been 4.66x for the year ended Dec. 31, 1998.

(3) Amounts have been restated to reflect the merger of Peoples Gas System, Inc., with and into Tampa Electric Company.

EXHIBIT 23

CONSENT OF INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS

We hereby consent to the incorporation by reference in the Registration Statements on Form S-3 (File Nos. 33-61636 and 333-55090) of Tampa Electric Company of our report dated Jan. 12, 2001, relating to the financial statements and financial statement schedule, which appear in this Form 10-K.

PricewaterhouseCoopers LLP

Tampa, Florida
March 28, 2001

Exhibit 24.1

TAMPA ELECTRIC COMPANY
POWER OF ATTORNEY

WHEREAS, the Board of Directors of Tampa Electric Company, a Florida corporation, at a meeting held on January19, 2001, authorized the officers and Directors of the Corporation to execute an Annual Report on Form 10-K and authorized the officers of the Company to file said Annual Report with the Securities and Exchange Commission under the Securities Exchange Act of 1934 as amended.

NOW, THEREFORE, each of the undersigned in his capacity as a Director or officer or both, as the case may be, of said Company, does hereby appoint R. D. Fagan, G. L. Gillette, and D. E. Schwartz, and each of them, severally, his true and lawful attorneys or attorney to execute in his name, place and stead, in his capacity as Director or officer or both, as the case may be, of said Company, said Annual Report and any and all amendments thereto and all instruments necessary or incidental in connection therewith, and to file the same with the Securities and Exchange Commission. Each of said attorneys has the power to act hereunder with or without the other of said attorneys and shall have full power of substitution and resubstitution. Each of said attorneys shall have full power and authority to do and perform in the name and on behalf of each of the undersigned, in any and all capacities, every act whatsoever requisite or necessary to be done in the premises, as fully and to all intents and purposes as each of the undersigned might or could do in person, and each of the undersigned hereby ratifies and approves the acts of said attorneys and each of them.

IN TESTIMONY WHEREOF, the undersigned have executed this instrument on the dates set forth below.

/s/ R. D. Fagan **R. D. Fagan, Chairman of the Board, Director and Chief Executive Officer (Principal Executive Officer)**	January 31, 2001
/s/ G. L. Gillette **G. L. Gillette, Vice President-Finance and Chief Financial Officer (Principal Financial Officer)**	January 31, 2001
/s/ P. L. Barringer **P. L. Barringer, Vice President-Controller (Principal Accounting Officer)**	January 25, 2001
/s/ C. D. Ausley **C. D. Ausley, Director**	January 19, 2001
/s/ S. L. Baldwin **S. L. Baldwin, Director**	January 19, 2001
/s/ H. L. Culbreath **H. L. Culbreath, Director**	January 19, 2001
/s/ J. L. Ferman, Jr. **J. L. Ferman, Jr., Director**	January 19, 2001
/s/ L. Guinot, Jr. **L. Guinot, Jr., Director**	January 19, 2000
/s/ T. L. Rankin **T. L. Rankin, Director**	January 19, 2001
/s/ W. D. Rockford **T. L. Rankin, Director**	January 19, 2001
/s/ W. P. Sovey **W. P. Sovey, Director**	January 27, 2001

/s/ J. T. Touchton **J. T. Touchton, Director**	January 19, 2001
/s/ J. A. Urquhart **J. A. Urquhart, Director**	January 19, 2001
/s/ J. O. Welch, Jr. **J. O. Welch, Jr., Director**	January 19, 2001

TAMPA ELECTRIC COMPANY

Transcript from Records of Board of Directors

January 18, 2000

****

RESOLVED, that the preparation and filing with the Securities and Exchange Commission of an Annual Report on Form 10-K pursuant to the Securities Exchange Act of 1934, as amended, including any required exhibits and amendments thereto and containing the information required by such form and any additional information as the officers of the Company, with the advice of counsel, deem necessary, advisable or appropriate (the "10-K"), are hereby authorized and approved; that the Chief Executive Officer, the President and any Vice President of the Company be, and each of them acting singly hereby is, authorized for and in the name and on behalf of the Company to execute the 10-K and cause it to be filed with the Securities and Exchange Commission; and that the officers referred to above be, and each of them hereby is, authorized to execute the 10-K through or by R. D. Fagan, G. L. Gillette or D. E. Schwartz, or any of them, as duly authorized attorneys pursuant to a Power of Attorney in such form as shall be approved by the Company's general counsel.

****

I, D. E. Schwartz, hereby certify that I am Secretary of Tampa Electric Company, a Florida corporation (the "Company"), and set forth above is a true and correct copy of a certain resolution from the minutes of the meeting of the Board of Directors of the Company convened and held on January 18, 2000, at which meeting a quorum for the transaction of business was present and acting throughout.

I further certify that the resolution set forth above has not been altered, amended or rescinded and that the same is now in full force and effect.

EXECUTED this 14th day of March, 2001.

/s/ D. E. Schwartz
Secretary
TAMPA ELECTRIC COMPANY

Corporate Seal

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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):
JUNE 20, 2001

TAMPA ELECTRIC COMPANY
(Exact name of registrant as specified in its charter)

FLORIDA	1-5007	59-0475140
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

702 NORTH FRANKLIN STREET, TAMPA FLORIDA 33602
(Address of principal executive offices and zip code)

(813) 228-4111
(Registrant's telephone number, including area code)

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ITEM 5. OTHER

In order to furnish certain exhibits for incorporation by reference into the Registration Statement on Form S-3 of Tampa Electric Company previously filed with Securities and Exchange Commission (File No. 333-55090), which Registration Statement was declared effective by the Commission on February 16, 2001, Tampa Electric Company is filing an Underwriting Agreement dated June 20, 2001 between Tampa Electric Company and Banc of America Securities LLC as Exhibit 1.3 to such Registration Statement, the opinion of Palmer & Dodge LLP, regarding the validity of the notes to be sold by Tampa Electric Company pursuant to such Underwriting Agreement as Exhibit 5.10 to such Registration Statement, and the opinion of Ropes & Gray as Exhibit 5.11 to such Registration Statement.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits.

1.3	Underwriting Agreement dated June 20, 2001 between Tampa Electric Company and Banc of America Securities LLC. Filed herewith.
5.10	Opinion of Palmer & Dodge LLP. Filed herewith.
5.11	Opinion of Ropes & Gray. Filed herewith.
23.4	Consent of Palmer & Dodge LLP (included as part of their opinion filed herewith).
23.5	Consent of Ropes & Gray (included as part of their opinion filed herewith).

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: June 25, 2001

TAMPA ELECTRIC COMPANY

By: /s/ Gordon L. Gillette
Gordon L. Gillette
Sr. Vice President -- Finance and Chief Financial Officer

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EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
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23.4	Consent of Ropes & Gray (included as part of their opinion filed herewith).

EX-1.3 OTHERDOC
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UNDERWRITING AGREEMENT

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Document is copied.

TAMPA ELECTRIC COMPANY

$250,000,000

6.875% Notes due 2012

UNDERWRITING AGREEMENT

June 20, 2001

To the Underwriters set forth
on Schedule A hereto

Ladies and Gentlemen:

Tampa Electric Company, a Florida corporation (the "COMPANY"), proposes subject to the terms and conditions stated herein, to issue and sell to the Underwriters named in SCHEDULE A hereto (the "UNDERWRITERS") an aggregate principal amount of $250,000,000 of 6.875% Notes due 2012 (the "NOTES") (as more fully described in SCHEDULE B hereto). The Notes will be issued pursuant to an indenture dated as of July 1, 1998 (the "BASE INDENTURE") between the Company and The Bank of New York, as trustee (the "INDENTURE TRUSTEE"), as amended and supplemented by the third supplemental indenture dated as of June 15, 2001 (the Base Indenture, as so supplemented and amended, being referred to herein as the "INDENTURE").

The Company understands that the Underwriters propose to make a public offering of the Notes as soon as Banc of America Securities LLC (the "REPRESENTATIVE") deems advisable after this Agreement has been executed and delivered.

SECTION 1. REPRESENTATIONS AND WARRANTIES.

(a) REPRESENTATIONS AND WARRANTIES BY THE COMPANY. The Company represents and warrants to each Underwriter as of the date hereof and as of the Closing Time referred to in Section 2(b) hereof, and agrees with each Underwriter, as follows:

(i) COMPLIANCE WITH REGISTRATION REQUIREMENTS. The Company meets the requirements for use of Form S-3 under the Securities Act of 1933, as amended (the "1933 ACT"). The Company has filed with the Securities and Exchange Commission (the "COMMISSION") a registration statement on such Form (File No. 333-55090), which has become effective (including information, if any, deemed to be part of the registration statement at the time of effectiveness pursuant to Rule 430A under the 1933 Act), for the registration under the 1933 Act of the Notes. Such registration statement meets the requirements set forth in

Rule 415(a)(1)(x) under the 1933 Act and complies in all other respects with said Rule, and as amended at the date of this Agreement, including the exhibits thereto, is hereinafter called the "REGISTRATION STATEMENT". The form of prospectus to be used in connection with the issuance and sale of the Notes included in such Registration Statement is hereinafter called the "BASIC PROSPECTUS"; the form of prospectus supplement included in such Registration Statement, or, if the Company files with the Commission a subsequent prospectus supplement to be used in connection with the issuance and sale of the Notes in accordance with Rule 424(b) under the 1933 Act, such subsequent prospectus, is hereinafter called the "PROSPECTUS SUPPLEMENT"; and the Basic Prospectus, as supplemented by the Prospectus Supplement, in the form in which it shall be filed with the Commission pursuant to Rule 424(b) is hereinafter called the "PROSPECTUS". Any reference herein to the Registration Statement, the Basic Prospectus or the Prospectus shall be deemed to refer to and include the documents incorporated by reference therein pursuant to Item 12 of Form S-3 which were filed under the Securities Exchange Act of 1934, as amended (the "1934 ACT"), on or before the date of this Agreement, or the issue date of the Basic Prospectus or the Prospectus, as the case may be; and any reference herein to the terms "amend," "amendment" or "supplement" with respect to the

Registration Statement, the Basic Prospectus or the Prospectus shall be deemed to refer to and include the filing of any document under the 1934 Act after the date of this Agreement, or the issue date of the Basic Prospectus or the Prospectus, as the case may be, deemed to be incorporated therein by reference. No stop order suspending the effectiveness of the Registration Statement is in effect, and no proceedings for such purpose are pending before or threatened by the Commission.

(ii) NO MISSTATEMENTS OR OMISSIONS. As of the date hereof, when the Prospectus is first filed or transmitted for filing pursuant to Rule 424(b) under the 1933 Act, when, prior to the Closing Time (as hereinafter defined), any amendment to the Registration Statement becomes effective (including the filing of any document incorporated by reference in the Registration Statement), when any amendment or supplement to the Prospectus is filed with the Commission and at the Closing Time, (i) the Registration Statement, as then amended as of any such time, the Prospectus, as then amended or supplemented as of any such time, and the Indenture will comply in all material respects with the applicable requirements of the 1933 Act, the Trust Indenture Act of 1939, as amended (the "1939 ACT"), and the 1934 Act and the respective rules and regulations thereunder, and (ii) neither the Registration Statement, as then amended as of such time, nor the Prospectus, as then amended or supplemented as of such time, will contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements therein not misleading; PROVIDED, HOWEVER, that the Company makes no representations or warranties as to (i) that part of the Registration Statement which shall constitute the Statement of Eligibility (Form T-1) under the 1939 Act of the applicable trustees or (ii) the information contained in or omitted from the Registration Statement or the Prospectus or any amendment thereof or supplement thereto in reliance upon and in conformity with information furnished in writing to the Company by or on behalf of any Underwriter through the Representative specifically for use in the Registration Statement and the Prospectus.

(iii) STATUS OF THE COMPANY. The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Florida,

and has the power and authority to enter into and perform its obligations under this Agreement and the Indenture and to own its property and conduct its business as described in the Prospectus.

(iv) AUTHORIZATION OF COMPANY AGREEMENTS. The Notes and the Indenture (collectively, the "TRANSACTION DOCUMENTS") have each been duly authorized by the Company, and, at the Closing Time, will have been duly executed and delivered by the Company, and, in the case of the Notes, when validly issued by the Company and validly authenticated and delivered by the Indenture Trustee, and, in the case of the Indenture, when validly executed and delivered by the Indenture Trustee, will constitute valid and legally binding obligations of the Company, enforceable against the Company in accordance with their respective terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing; the Indenture has been duly qualified under the 1939 Act; the Notes are entitled to the benefits of the Indenture; and the Transaction Documents will conform in all material respects to the descriptions thereof in the Prospectus.

(v) AUTHORIZATION OF AGREEMENT. This Agreement has been duly authorized, executed and delivered by the Company.

(vi) ABSENCE OF DEFAULTS AND CONFLICTS. The Company is not in

violation of its charter, by-laws or other organizational documents. The Company is not in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or other agreement or instrument to which the Company is a party or by which the Company may be bound, or to which any of the property or assets of the Company is subject (collectively, "AGREEMENTS AND INSTRUMENTS") except for such defaults that would not have a material adverse effect on the condition, financial or otherwise, or in the results of operations or business affairs of the Company, whether or not arising in the ordinary course of business (a "MATERIAL ADVERSE EFFECT"); and the execution, delivery and performance of this Agreement and the consummation of the transactions contemplated herein and in the Registration Statement (including the issuance and sale of the Notes and the use of the proceeds from the sale of the Notes as described in the Prospectus under the caption "Use of Proceeds") and compliance by the Company with its obligations hereunder have been duly authorized by all necessary corporate or other action and do not and will not, whether with or without the giving of notice or passage of time or both, conflict with or constitute a breach of, or default or Repayment Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company pursuant to the Agreements and Instruments (except for such conflicts, breaches, defaults, Repayment Events or liens, charges or encumbrances that would not result in a Material Adverse Effect), nor will such action result in any violation of the provisions of the charter, by-laws or other organizational documents of the Company or any applicable law, statute, rule, regulation, judgment, order, writ or decree of any government, government instrumentality or court, domestic or foreign, having jurisdiction over the Company or any of their assets, properties or operations. As used herein, a "REPAYMENT EVENT" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or

any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company.

(vii) ABSENCE OF PROCEEDINGS. Except as disclosed in the Prospectus, there are no pending actions, suits or proceedings against or affecting the Company, or any of the Company's properties that, if determined adversely to the Company, would individually or in the aggregate have a Material Adverse Effect, or would materially and adversely affect the ability of the Company to perform its obligations under this Agreement, or which are otherwise material in the context of the sale of the Notes; and no such actions, suits or proceedings are, to the Company's knowledge, threatened or contemplated.

(viii) NO MATERIAL ADVERSE CHANGE IN BUSINESS. Except as disclosed in the Prospectus, since the date of the latest audited financial statements included in the Prospectus there has been no material adverse change in the condition (financial or other), business, properties or results of operations of the Company.

(ix) ABSENCE OF FURTHER REQUIREMENTS. No filing, registration or qualification with, or authorization, approval, consent, license, order or decree of, any court or governmental authority or agency, including the Florida Public Service Commission, is necessary or required for the performance by the Company of its obligations hereunder, in connection with the offering, issuance or sale of the Notes hereunder or the consummation of the transactions contemplated by this Agreement, except such as have been already obtained or made or as may be required under the 1933 Act or the rules and regulations of the Commission thereunder (the "1933 ACT REGULATIONS") or state securities laws.

(x) QUALIFICATION. The Company is duly qualified as a foreign corporation in all jurisdictions where it owns or leases substantial real properties or in which the conduct of its business requires qualification as a

foreign corporation and in which the failure to so qualify could have a Material Adverse Effect.

(xi) FINANCIAL STATEMENTS. The financial statements of the Company, together with related notes, incorporated in the Registration Statement and the Prospectus present fairly, in accordance with generally accepted accounting principles consistently applied (except as stated therein and except the notes to the interim financial statements), the financial position and the results of operations of the Company, its consolidated subsidiaries and its predecessors at the dates and for the respective periods to which they apply.

(xii) AUDITORS. PricewaterhouseCoopers LLP, who have certified financial statements of the Company, are independent public accountants with respect to the Company and its subsidiaries as required by the 1933 Act and the 1933 Act Regulations.

(xiii) INVESTMENT COMPANY ACT. The Company is not, and upon the issuance and sale of the Notes as herein contemplated and the application of the net proceeds therefrom as described in the Prospectus will not be, an "investment company" or an entity "controlled" by an "investment company" as such terms are defined in the Investment Company Act of 1940, as amended (the "1940 ACT").

(xiv) CUBA. The Company and its subsidiaries have complied with all provisions of Section 517.075, Florida Statutes relating to doing business with the Government of Cuba or with any person or affiliate located in Cuba.

(xv) OFFICER'S CERTIFICATES. Any certificate signed by any officer of the Company delivered to the Representative or to counsel for the Underwriters shall be deemed a representation and warranty by the Company to each Underwriter as to the matters covered thereby.

SECTION 2. SALE AND DELIVERY TO UNDERWRITERS, CLOSING.

(a) NOTES. On the basis of the representations and warranties herein contained and subject to the terms and conditions herein set forth, the Company agrees to sell to each Underwriter and each Underwriter, severally and not jointly, agrees to purchase from the Company, at the price and with the terms set forth in SCHEDULE B, the principal amount of Notes set forth in SCHEDULE A opposite the name of such Underwriter, plus any additional amount of Notes which such Underwriter may become obligated to purchase pursuant to the provisions of Section 10 hereof.

(b) PAYMENT. Payment of the purchase price for, and delivery of, the Notes shall be made at the offices of the Representative, or at such other place as shall be agreed upon by the Representative and the Company at 9:00 A.M. (Eastern time) on the third (fourth, if the pricing occurs after 4:30 P.M. (Eastern time) on any given day) business day after the date hereof (unless postponed in accordance with the provisions of Section 10), or such other time not later than ten business days after such date as shall be agreed upon by the Representative and the Company (such time and date of payment and delivery being herein called the "CLOSING TIME").

Payment shall be made by the Representative to the Company by wire transfer of immediately available or next day funds as set forth in SCHEDULE B to a bank account(s) designated by the Company against delivery to the Representative for the respective accounts of the Underwriters of the Notes to be purchased by them. It is understood that each Underwriter has authorized the Representative, for its account, to accept delivery of, receipt for, and make payment of the purchase price for, the Notes which it has agreed to purchase.

(c) DENOMINATIONS; REGISTRATION. The Notes shall be in such

denominations and registered in such names as the Representative may request in writing at least one full business day before the Closing Time. The Notes will be made available for examination and packaging by the Representative in The City of New York not later than 10:00 A.M. (Eastern time) on the business day prior to the Closing Time.

SECTION 3. COVENANTS OF THE COMPANY. The Company covenants with each Underwriter as follows:

(a) COMPLIANCE WITH SECURITIES REGULATIONS AND COMMISSION REQUESTS. Subject to Section 3(b), it will prepare the Prospectus in a form approved by the Representative and file such Prospectus (pursuant to Rule 424(b) within the time prescribed under Rule 424(b) or Rule 430(A)(3), as the case may be) and will notify the Representative immediately, and

confirm the notice in writing, (i) when any post-effective amendment to the Registration Statement shall become effective, or any supplement to the Prospectus or any amended Prospectus shall have been filed, (ii) of the receipt of any comments from the Commission, (iii) of any request by the Commission for any amendment to the Registration Statement or any amendment or supplement to the Prospectus or for additional information, and (iv) of the issuance by the Commission of any stop order suspending the effectiveness of the Registration Statement, or of the suspension of the qualification of the Notes for offering or sale in any jurisdiction, or of the initiation or threatening of any proceedings for any of such purposes. It will promptly effect the filings necessary pursuant to Rule 424(b) and will take such steps as it deems necessary to ascertain promptly whether the form of prospectus transmitted for filing under Rule 424(b) was received for filing by the Commission and, in the event that it was not, it will promptly file such prospectus. It will make every reasonable effort to prevent the issuance of any stop order and, if any stop order is issued, to obtain the withdrawal thereof at the earliest possible moment.

(b) FILING OF AMENDMENTS. It will give the Representative notice of its intention to file or prepare any amendment to the Registration Statement or any amendment, supplement or revision to the Prospectus, whether pursuant to the 1933 Act, the 1934 Act or otherwise, will furnish the Representative with copies of any such documents a reasonable amount of time prior to such proposed filing or use, as the case may be, and will not file or use any such document to which the Representative or counsel for the Underwriters shall reasonably object.

(c) DELIVERY OF REGISTRATION STATEMENTS. It has furnished or will deliver to the Representative and counsel for the Underwriters, without charge, one originally signed copy of the Registration Statement as originally filed and of each amendment thereto (including exhibits filed therewith or incorporated by reference therein and documents incorporated or deemed to be incorporated by reference therein) and one originally signed copy of all consents and certificates of experts, and will also deliver to the Representative, without charge, a conformed copy of the Registration Statement as originally filed and of each amendment thereto (without exhibits) for each of the Underwriters. The copies of the Registration Statement and each amendment thereto furnished to the Underwriters will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to its Electronic Data Gathering, Analysis and Retrieval System ("EDGAR"), except to the extent permitted by Regulation S-T.

(d) DELIVERY OF PROSPECTUSES. It has delivered to each Underwriter, without charge, as many copies of each Prospectus relating to the Notes as such Underwriter reasonably requested, and it hereby consents to the use of such copies for purposes permitted by the 1933 Act. It will furnish to each Underwriter, without charge, during the period when the Prospectus is required to be delivered under the 1933 Act or the 1934 Act, such number of copies of the

Prospectus (as amended or supplemented) as such Underwriter may reasonably request. The Prospectus and any amendments or supplements thereto furnished to the Underwriters will be identical to the electronically transmitted copies thereof filed with the Commission pursuant to EDGAR, except to the extent permitted by Regulation S-T.

(e) CONTINUED COMPLIANCE WITH SECURITIES LAWS. It will comply with the 1933 Act and the 1933 Act Regulations and the 1934 Act and the rules and regulations thereunder (the "1934 ACT REGULATIONS") so as to permit the completion of the distribution of the Notes as contemplated in this Agreement and in the Prospectus. If at any time when a prospectus is required by the 1933 Act to be delivered in connection with sales of the Notes, any event shall occur or condition shall exist as a result of which it is necessary, in the opinion of counsel for the Underwriters or for the Company, to amend the Registration Statement or amend or supplement the Prospectus in order that the Prospectus will not include any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading in the light of the circumstances existing at the time it is delivered to a purchaser, or if it shall be necessary, in the opinion of such counsel, at any such time to amend the Registration Statement or amend or supplement the Prospectus in order to comply with the requirements of the 1933 Act or the 1933 Act Regulations, it will promptly prepare and file with the Commission, subject to Section 3(b), such amendment or supplement as may be necessary to correct such statement or omission or to make the Registration Statement or the Prospectus comply with such requirements, and it will furnish to the Underwriters such number of copies of such amendment or supplement as the Underwriters may reasonably request.

(f) BLUE SKY QUALIFICATIONS. It will use its best efforts, in cooperation with the Underwriters, to qualify the Notes for offering and sale under the applicable securities laws of such states and other jurisdictions (domestic or foreign) as the Representative may designate and to maintain such qualifications in effect for a period of not less than one year from the effective date of the Registration Statement; PROVIDED, HOWEVER, that it shall not be obligated to file any general consent to service of process or to qualify as a foreign corporation or as a dealer in securities in any jurisdiction in which it is not so qualified or to subject itself to taxation in respect of doing business in any jurisdiction in which it is not otherwise so subject. In each jurisdiction in which the Notes have been so qualified, it will file such statements and reports as may be required by the laws of such jurisdiction to continue such qualification in effect for a period of not less than one year from the effective date of the Registration Statement.

(g) RULE 158. It will timely file such reports pursuant to the 1934 Act as are necessary in order to make generally available to its securityholders as soon as practicable an earnings statement for the purposes of, and to provide the benefits contemplated by, the last paragraph of Section 11(a) of the 1933 Act.

(h) USE OF PROCEEDS. It will cause the net proceeds received by it from the sale of the Notes to be used in the manner specified in the Prospectus under "Use of Proceeds".

(i) RESTRICTION ON SALE OF NOTES. During the period of thirty (30) days following the Closing Time, it will not, without the prior written consent of the Representative on behalf of the Underwriters, sell or contract to sell or announce the offering of, any securities of the Company with characteristics and terms similar to those of the Notes; PROVIDED, HOWEVER, that the Company may redeem, repurchase or remarket the Remarketed Notes due 2038 issued on July 31, 1998 in the original principal amount of $50,000,000.

(j) REPORTING REQUIREMENTS. During the period when the Prospectus is required to be delivered under the 1933 Act or the 1934 Act, the Company will file or cause to be filed all documents required to be filed with the Commission pursuant to the 1934 Act within the time periods required by the 1934 Act and the 1934 Act Regulations.

SECTION 4. PAYMENT OF EXPENSES.

(a) EXPENSES. The Company will pay or cause to be paid all expenses incident to the performance of its obligations under this Agreement, including (i) the preparation, printing and filing of the Registration Statement (including financial statements and exhibits and the Forms T-1) as originally filed and of each amendment thereto, (ii) the printing and reproduction of this Agreement, the Indenture and such other documents as may be required in connection with the offering, purchase, sale, issuance or delivery of the Notes, (iii) the preparation, issuance and delivery of the Notes to the Underwriters, including any transfer taxes and any stamp or other duties payable upon the sale, issuance or delivery of the Notes to the Underwriters, (iv) the fees and disbursements of the Company's counsel, accountants and other advisors, (v) the qualification of the Notes under securities laws in accordance with the provisions of Section 3(f) hereof, including filing fees and the reasonable fees and disbursements of counsel for the Underwriters in connection therewith (which fees and disbursements of counsel for the Underwriters shall not exceed $5,000), (vi) the printing and delivery to the Underwriters of copies of the Prospectus and any amendments or supplements thereto, (vii) the fees and expenses of the Indenture Trustee, including the fees and disbursements of counsel for the trustees in connection with the Indenture and the Notes, (viii) any fees payable in connection with the rating of the Notes, and (ix) the fees and expenses incident to the performance of the Company's other obligations hereunder.

(b) TERMINATION OF AGREEMENT. If this Agreement is terminated by the Representative in accordance with the provisions of Section 5 or Section 9(a)(i) hereof, the Company shall reimburse the Underwriters for all of their out-of-pocket expenses, including the reasonable fees and disbursements of counsel for the Underwriters.

SECTION 5. CONDITIONS OF UNDERWRITERS' OBLIGATIONS. The obligations of the several Underwriters hereunder are subject to the accuracy of the representations and warranties of the Company contained in Section 1(a) hereof, to the performance by the Company of its covenants and other obligations hereunder, and to the following further conditions:

(a) EFFECTIVENESS OF REGISTRATION STATEMENT. The Prospectus shall have been filed with the Commission pursuant to Rule 424(b) within the applicable time period prescribed for such filing by the 1933 Act Regulations and in accordance with Section 3(a) hereof; and no stop order suspending the effectiveness of the Registration Statement or any amendment thereto shall have been issued and no proceeding for that purpose shall have been initiated or threatened by the Commission.

(b) OPINIONS OF COUNSEL FOR THE COMPANY.

(i) At Closing Time, the Underwriters shall have received the favorable opinion, dated as of Closing Time, of Palmer & Dodge LLP, outside counsel for the Company, satisfactory in form and substance to the Representative and to the effect that:

(1) The Company has been duly incorporated and is validly

existing as a corporation in good standing under the laws of the State of Florida and has the corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Prospectus and to enter into and perform its obligations under the Agreement.

(2) The Agreement has been duly authorized, executed and delivered by the Company.

(3) The Transaction Documents have each been duly authorized, executed and delivered by the Company; the Notes, when validly authenticated and delivered by the Indenture Trustee, will be validly issued; the Transaction Documents, when validly authenticated, executed and delivered by the Indenture Trustee, will constitute valid and binding obligations of the Company, enforceable against the Company in accordance with their respective terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing; and the Notes are entitled to the benefits of the Indenture.

(4) The Registration Statement has become effective under the 1933 Act; any required filing of the Prospectus pursuant to Rule 424(b) has been made in the manner and within the time period required by Rule 424(b); and, to the best of such counsel's knowledge, no stop order suspending the effectiveness of the Registration Statement has been issued under the 1933 Act and no proceedings for that purpose have been instituted or are pending or threatened by the Commission.

(5) The Registration Statement, the Prospectus, excluding the documents incorporated by reference therein, and each amendment or supplement to the Registration Statement and Prospectus, excluding the documents incorporated by reference therein, as of their respective effective or issue dates (other than the financial statements and supporting schedules included therein or omitted therefrom and the Statements of Eligibility on Form T-1 of the applicable trustees), comply as to form in all material respects with the requirements of the 1933 Act and the 1933 Act Regulations and the 1939 Act.

(6) The documents incorporated by reference in the Prospectus (other than the financial statements and supporting schedules included therein or omitted therefrom) when they became effective or were filed with the Commission, as the case may be, complied as to form at the time of such effectiveness or filing in all material respects with the requirements of the 1934 Act and the 1934 Act Regulations.

(7) No filing, registration, or qualification with, or authorization, approval, consent, license, order, or decree of, any court or governmental authority

or agency (other than under the 1933 Act and the 1933 Act Regulations and the 1939 Act, which have been obtained or made, or as may be required under the securities or blue sky laws of the various states, as to which such counsel expresses no opinion) is necessary or required in connection with the due authorization, execution and delivery of this Agreement or the Indenture or for the offering, issuance, sale or delivery of the Notes, except such as have been already obtained or made.

(8) The execution, delivery and performance by the Company of this Agreement and the Transaction Documents and the consummation of the transactions contemplated in this Agreement and in the Registration Statement (including the issuance and sale of the Notes and the use of the proceeds from the sale of the Notes as described in the Prospectus under the caption "Use Of Proceeds") do not and will not, whether with or without the giving of notice or

lapse of time or both, constitute a breach of, or default or similar event under or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company pursuant to any written contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or any other agreement or instrument that is listed as an exhibit to the Company's Form 10-K for the year ended December 31, 2000 or any of the Company's Forms 10-Q and 8-K filed subsequent thereto, nor will such action result in any violation of the provisions of (i) the charter or by-laws of the Company, (ii) any applicable law, statute, rule, or regulation, or (iii) any judgment, order, writ or decree known to such counsel, of any government, government instrumentality or court, domestic or foreign, having jurisdiction over the Company or any of its properties, assets or operations.

(9) The Company is not and, after giving effect to the transactions contemplated by this Agreement, will not be an "investment company" or an entity "controlled" by an "investment company," as such terms are defined in the 1940 Act.

(10) The Indenture has been duly qualified under the 1939 Act.

(11) The statements made in the Prospectus under the captions "Description of the Notes" and "Description of Debt Securities," insofar as such statements purport to constitute a summary of the terms of any of the Transaction Documents, constitute accurate summaries thereof in all material respects.

In addition to the matters set forth above, such opinion shall also include a statement to the effect that nothing has come to the attention of such counsel which causes it to believe that the Registration Statement, as of its effective date, or any amendment thereto, as of its effective date, contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein not misleading or that the Prospectus, as of its issue date or as of the Closing Time, or any amendment or supplement thereto, as of its issue date or as of the Closing Time, contained any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; it being understood that such counsel need express no opinion as to the Forms T-1 or the financial statements, including the notes thereto, or other financial data contained in the Registration Statement or the Prospectus. With respect to such statement, such counsel may state that its

belief is based upon procedures set forth therein satisfactory to the Underwriters but is without independent check and verification.

In rendering such opinion, such counsel may rely as to matters of fact (but not as to legal conclusions), to the extent they deem proper, on certificates of responsible officers of the Company, representatives of the applicable trustees and public officials. In giving such opinion such counsel may rely, as to all matters governed by the laws of jurisdictions other than the State of Florida and the federal law of the United States, upon the opinions of counsel satisfactory to the Representative. In rendering its opinion, such counsel may rely as to matters of Florida law upon the opinion of Sheila M. McDevitt, Esq.

(ii) At Closing Time, the Underwriter shall have received the favorable opinion, dated as of Closing Time, of Sheila M. McDevitt, Esq., Vice President-General Counsel of the Company, satisfactory in form and substance to the Representative and to the effect that:

(1) The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of

Florida and has the corporate power and authority to own, lease and operate its properties and to conduct its business as described in the Prospectus and to enter into and perform its obligations under this Agreement.

(2) The Agreement has been duly authorized, executed and delivered by the Company.

(3) The Transaction Documents have each been duly authorized, executed and delivered by the Company; the Notes, when validly authenticated, and delivered by the Indenture Trustee, will be validly issued; the Transaction Documents, when validly authenticated, executed and delivered by the Indenture Trustee, constitute valid and legally binding obligations of the Company, enforceable against the Company in accordance with their respective terms, subject to the effects of bankruptcy, insolvency, fraudulent conveyance, reorganization, moratorium and other similar laws relating to or affecting creditors' rights generally, general equitable principles (whether considered in a proceeding in equity or at law) and an implied covenant of good faith and fair dealing.

(4) All descriptions in the Registration Statement of written contracts and other documents to which the Company is a party are accurate in all material respects; to the best of such counsel's knowledge, there are no franchises, contracts, indentures, mortgages, loan agreements, notes, leases or other instruments required to be described or referred to in the Registration Statement or to be filed as exhibits thereto other than those described or referred to therein or filed or incorporated by reference as exhibits thereto, and the descriptions thereof or references thereto are correct in all material respects.

(5) No filing, registration, or qualification with, or authorization, approval, consent, license, order, or decree of, any court or governmental authority or agency, including the Florida Public Service Commission (other than under the 1933 Act and the 1933 Act Regulations and the 1939 Act, which have been obtained or made, or as may be required under the securities or blue sky laws of the various states, as to which such counsel

expresses no opinion) is necessary or required in connection with the due authorization, execution and delivery of the Agreement or the Indenture or for the offering, issuance, sale or delivery of the Notes, except such as have been already obtained or made.

(6) The execution, delivery and performance by the Company of this Agreement and the Transaction Documents and the consummation of the transactions contemplated in this Agreement and in the Registration Statement (including the issuance and sale of the Notes and the use of the proceeds from the sale of the Notes as described in the Prospectus under the caption "Use Of Proceeds") do not and will not, whether with or without the giving of notice or lapse of time or both, constitute a breach of, or default or similar event under or result in the creation or imposition of any lien, charge or encumbrance upon any property or assets of the Company pursuant to any written contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or any other agreement or instrument that is listed as an exhibit to the Company's Form 10-K for the year ended December 31, 2000 or any of the Company's Forms 10-Q and 8-K filed subsequent thereto, nor will such action result in any violation of the provisions of (i) the charter or by-laws of the Company, (ii) any applicable law, statute, rule, or regulation, or (iii) any judgment, order, writ or decree known to such counsel, of any government, government instrumentality or court, domestic or foreign, having jurisdiction over the Company or any of its properties, assets or operations.

In addition to the matters set forth above, such opinion shall also include a statement to the effect that nothing has come to the attention of such counsel

which causes her to believe that the Registration Statement, as of its effective date, or any amendment thereto, as of its effective date, contained any untrue statement of a material fact or omitted to state any material fact required to be stated therein or necessary to make the statements therein not misleading or that the Prospectus, as of its issue date or as of the Closing Time, or any amendment or supplement thereto, as of its issue date or as of the Closing Time, contained any untrue statement of a material fact or omitted to state any material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading; it being understood that such counsel need express no opinion as to the Forms T-1 or the financial statements, including the notes thereto, or other financial data contained in the Registration Statement or the Prospectus. With respect to such statement, such counsel may state that her belief is based upon procedures set forth therein satisfactory to the Representative but is without independent check and verification.

In rendering such opinion, such counsel may rely as to matters of fact (but not as to legal conclusions), to the extent she deems proper, on certificates of responsible officers of the Company, representatives of the applicable trustees and public officials.

(c) OPINION OF COUNSEL FOR THE UNDERWRITERS. At Closing Time, the Representative shall have received the favorable opinion, dated as of Closing Time, of Ropes & Gray, the counsel for the Underwriters, together with signed or reproduced copies of such letter for each of the other Underwriters and addressed to the Underwriters with respect to such matters as the Representative may reasonably request. In giving such opinion such counsel may rely, as to all matters governed by the laws of jurisdictions other than the federal law of the United States and the laws of the State of New York, upon the opinions of counsel satisfactory to the

Representative. Such counsel may also state that, insofar as such opinion involves factual matters, they have relied, to the extent they deem proper, upon certificates of officers of the Company, certificates of representatives of the applicable trustees and certificates of public officials.

(d) OFFICERS' CERTIFICATE. At Closing Time, there shall not have been, since the date hereof or since the respective dates as of which information is given in the Prospectus, any material adverse change in the condition, financial or otherwise, or in the results of operations or business affairs of the Company, whether or not arising in the ordinary course of business, and the Representative shall have received a certificate of the President or a Vice President of the Company and of the chief financial or chief accounting officer of the Company, dated as of Closing Time, to the effect that (i) there has been no such material adverse change, (ii) the representations and warranties in Section 1(a) hereof are true and correct with the same force and effect as though expressly made at and as of Closing Time, (iii) the Company has complied with all agreements and satisfied all conditions on its part to be performed or satisfied at or prior to Closing Time, and (iv) no stop order suspending the effectiveness of the Registration Statement has been issued and no proceedings for that purpose have been instituted or are pending or are, to the knowledge of such officers, contemplated by the Commission.

(e) ACCOUNTANT'S COMFORT LETTER. At the time of the execution of this Agreement, the Representative shall have received from the Company's independent public accountants a letter dated such date, in form and substance satisfactory to the Representative, together with signed or reproduced copies of such letter for each of the other Underwriters and addressed to the Underwriters containing statements and information of the type ordinarily included in accountants' "comfort letters" to underwriters with respect to the financial statements and certain financial information contained in the Registration Statement and the Prospectus.

(f) BRING-DOWN COMFORT LETTER. At Closing Time, the Representative shall have received from the Company's independent public accountants a letter, dated as of Closing Time, together with signed or reproduced copies of such letter for each of the other Underwriters and addressed to the Underwriters, to the effect that they reaffirm the statements made in the letter furnished pursuant to subsection (e) of this Section, except that the specified date referred to shall be a date not more than three business days prior to Closing Time.

(g) MAINTENANCE OF RATING. At Closing Time, the Notes shall be rated by each of Moody's Investors Service, Inc., Standard & Poor's Ratings Services, a division of The McGraw Hill Companies, Inc. and Fitch, Inc. as set forth in SCHEDULE B hereto. Since the date of this Agreement, there shall not have occurred a downgrading in the rating assigned to the Notes or any of the Company's debt securities by any "nationally recognized statistical rating agency," as that term is defined by the Commission for purposes of Rule 436(g)(2) under the 1933 Act, and no such organization shall have publicly announced that it has under surveillance or review its rating of the Notes or any of the Company's other debt securities.

(h) ADDITIONAL DOCUMENTS. At Closing Time, counsel for the Underwriters shall have been furnished with such documents and opinions as they may require for the purpose of enabling them to pass upon the issuance and sale of the Notes as herein contemplated, or in

order to evidence the accuracy of any of the representations or warranties, or the fulfillment of any of the conditions, herein contained; and all proceedings taken by the Company in connection with the issuance and sale of the Notes as herein contemplated shall be satisfactory in form and substance to the Representative and counsel for the Underwriters.

(i) TERMINATION OF AGREEMENT. If any condition specified in this Section shall not have been fulfilled when and as required to be fulfilled, this Agreement may be terminated by the Representative by notice to the Company at any time at or prior to Closing Time and such termination shall be without liability of any party to any other party except as provided in Section 4 and except that Sections 1, 6, 7 and 8 shall survive any such termination and remain in full force and effect.

SECTION 6. INDEMNIFICATION.

(a) INDEMNIFICATION OF UNDERWRITERS. The Company agrees to indemnify and hold harmless each Underwriter and each person, if any, who controls any Underwriter within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act as follows:

(i) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, arising out of any untrue statement or alleged untrue statement of a material fact contained in the Registration Statement (or any amendment thereto), or the omission or alleged omission therefrom of a material fact required to be stated therein or necessary to make the statements therein not misleading or arising out of any untrue statement or alleged untrue statement of a material fact included in the Prospectus (or any amendment or supplement thereto), or the omission or alleged omission therefrom of a material fact necessary in order to make the statements therein, in the light of the circumstances under which they were made, not misleading;

(ii) against any and all loss, liability, claim, damage and expense whatsoever, as incurred, to the extent of the aggregate amount paid in settlement of any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or of any claim whatsoever

based upon any such untrue statement or omission; provided that (subject to Section 6(d) below) any such settlement is effected with the written consent of the Company (which consent shall not be unreasonably withheld, delayed or conditioned); and

(iii) against any and all expense whatsoever, as incurred (including the fees and disbursements of counsel chosen by the Representative), reasonably incurred in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue statement or omission, to the extent that any such expense is not paid under (i) or (ii) above;

PROVIDED, HOWEVER, that (i) this indemnity agreement shall not apply to any loss, liability, claim, damage or expense to the extent arising out of any untrue statement or omission or alleged untrue statement or omission made in reliance upon and in conformity with written information

furnished to the Company by any Underwriter through the Representative expressly for use in the Registration Statement (or any amendment thereto) or the Prospectus (or any amendment or supplement thereto) and (ii) such indemnity with respect to the Prospectus shall not inure to the benefit of any Underwriter (or any person controlling such Underwriter) from whom the person asserting any such loss, liability, claim, damage or expense purchased the Notes which are the subject thereof if such Underwriter did not send or deliver to such person a copy of the Prospectus, as amended or supplemented, excluding documents incorporated therein by reference at or prior to the confirmation of the sale of the Notes to such person in any case where such delivery is required by the 1933 Act and the untrue statement or omission of a material fact contained in the Prospectus was corrected in the Prospectus, as amended or supplemented. This indemnity agreement will be in addition to any liability which the Company may otherwise have.

(b) INDEMNIFICATION OF THE COMPANY, DIRECTORS AND OFFICERS. Each Underwriter, severally and not jointly, agrees to indemnify and hold harmless the Company, its directors, each of its officers who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act against any and all loss, liability, claim, damage and expense described in the indemnity contained in subsection (a) of this Section, as incurred, but only with respect to untrue statements or omissions, or alleged untrue statements or omissions, made in the Registration Statement (or any amendment thereto) or the Prospectus (or any amendment or supplement thereto) in reliance upon and in conformity with written information furnished to the Company by or on behalf of such Underwriter through the Representative specifically for use in the Registration Statement (or any amendment thereto) or the Prospectus (or any amendment or supplement thereto).

(c) ACTIONS AGAINST PARTIES, NOTIFICATION. Promptly after receipt by an indemnified party under this Section 6 of notice of the commencement of any action, such indemnified party will, if a claim in respect thereof is to be made against the indemnifying party under this Section 6, notify the indemnifying party in writing of the commencement thereof, but the omission so to notify the indemnifying party will not relieve it from any liability which it may have to any indemnified party otherwise than under this Section 6. In case any such action is brought against any indemnified party, and it notifies the indemnifying party of the commencement thereof, the indemnifying party will be entitled to participate therein, and to the extent that it may elect by written notice delivered to the indemnified party promptly after receiving the aforesaid notice from such indemnified party, to assume the defense thereof, with counsel reasonably satisfactory to such indemnified party; PROVIDED, HOWEVER, that if the defendants (including impleaded parties) in any such action include both the indemnified party and the indemnifying party and the indemnified party shall

have reasonably concluded that there may be legal defenses available to it or other indemnified parties which are different from or additional to those available to the indemnifying party, the indemnified party or parties shall have the right to select separate counsel to assert such legal defenses and to otherwise participate in the defense of such action on behalf of such indemnified party or parties. Upon receipt of notice from the indemnifying party to such indemnified party of its election so to assume the defense of such action and approval by the indemnified party of counsel, the indemnifying party will not be liable to such indemnified party under this Section 6 for any legal or other expenses subsequently incurred by such indemnified party in connection with the defense thereof (other

than the reasonable costs of investigation) unless (i) the indemnified party shall have employed separate counsel in connection with the assertion of legal defenses in accordance with the proviso to the next preceding sentence (it being understood, however, that the indemnifying party shall not be liable for the expenses of more than one separate counsel (in addition to local counsel) representing the indemnified parties), (ii) the indemnifying party shall not have employed counsel satisfactory to the indemnified party to represent the indemnified party within a reasonable time after notice of commencement of the action or (iii) the indemnifying party has authorized the employment of counsel for the indemnified party at the expense of the indemnifying party.

(d) SETTLEMENT WITHOUT CONSENT IF FAILURE TO REIMBURSE. If at any time an indemnified party shall have requested an indemnifying party to reimburse the indemnified party for fees and expenses of counsel, such indemnifying party agrees that it shall be liable for any settlement of the nature contemplated by Section 6(a)(ii) effected without its written consent if (i) such settlement is entered into more than 45 days after receipt by such indemnifying party of the aforesaid request, (ii) such indemnifying party shall have received notice of the terms of such settlement at least 30 days prior to such settlement being entered into and (iii) such indemnifying party shall not have reimbursed such indemnified party in accordance with such request prior to the date of such settlement.

SECTION 7. CONTRIBUTION. If the indemnification provided for in Section 6 hereof is for any reason unavailable to or insufficient to hold harmless an indemnified party in respect of any losses, liabilities, claims, damages or expenses referred to therein, then each indemnifying party shall contribute to the aggregate amount of such losses, liabilities, claims, damages and expenses incurred by such indemnified party, as incurred, (i) in such proportion as is appropriate to reflect the relative benefits received by the Company on the one hand and the Underwriters on the other hand from the offering of the Notes pursuant to this Agreement or (ii) if the allocation provided by clause (i) is not permitted by applicable law, in such proportion as is appropriate to reflect not only the relative benefits referred to in clause (i) above but also the relative fault of the Company on the one hand and of the Underwriters on the other hand in connection with the statements or omissions which resulted in such losses, liabilities, claims, damages or expenses, as well as any other relevant equitable considerations.

The relative benefits received by the Company on the one hand and the Underwriters on the other hand in connection with the offering of the Notes pursuant to this Agreement shall be deemed to be in the same respective proportions as the total net proceeds from the offering of the Notes pursuant to this Agreement (before deducting expenses) received by the Company and the total underwriting discount received by the Underwriters, in each case as set forth on the cover of the Prospectus, bear to the aggregate public offering price of the Notes as set forth on such cover.

The relative fault of the Company on the one hand and the Underwriters on the other hand shall be determined by reference to, among other things, whether

any such untrue or alleged untrue statement of a material fact or omission or alleged omission to state a material fact relates to information supplied by the Company or by an Underwriter in writing through the Representative and the parties' relative intent, knowledge, access to information and opportunity to correct or prevent such statement or omission.

The Company and the Underwriters agree that it would not be just and equitable if contribution pursuant to this Section 7 were determined by pro rata allocation (even if the Underwriters were treated as one entity for such purpose) or by any other method of allocation which does not take account of the equitable considerations referred to above in this Section 7. The aggregate amount of losses, liabilities, claims, damages and expenses incurred by an indemnified party and referred to above in this Section 7 shall be deemed to include any legal or other expenses reasonably incurred by such indemnified party in investigating, preparing or defending against any litigation, or any investigation or proceeding by any governmental agency or body, commenced or threatened, or any claim whatsoever based upon any such untrue or alleged untrue statement or omission or alleged omission.

Notwithstanding the provisions of this Section 7, no Underwriter shall be required to contribute any amount in excess of the amount by which the total price at which the Notes underwritten by it and distributed to the public were offered to the public exceeds the amount of any damages which such Underwriter has otherwise been required to pay by reason of any such untrue or alleged untrue statement or omission or alleged omission.

No person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the 1933 Act) shall be entitled to contribution from any person who was not guilty of such fraudulent misrepresentation.

For purposes of this Section 7, each person, if any, who controls an Underwriter within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as such Underwriter, and each director of the Company, each officer of the Company who signed the Registration Statement, and each person, if any, who controls the Company within the meaning of Section 15 of the 1933 Act or Section 20 of the 1934 Act shall have the same rights to contribution as the Company. The Underwriters' respective obligations to contribute pursuant to this Section 7 are several in proportion to the principal amount of Notes set forth opposite their respective names in SCHEDULE A hereto and not joint.

SECTION 8. SURVIVAL.

The respective indemnities, rights of contribution, representations, warranties and agreements of the Company and the Underwriters contained in this Agreement or made by or on behalf of the Company or the Underwriters pursuant to this Agreement or any certificate delivered pursuant hereto shall survive the delivery of and payment for the Notes to the Underwriters and shall remain in full force and effect, regardless of any investigation made by or on behalf of any of them or any of their respective affiliates, officers, directors, employees, representatives, agents or controlling persons.

SECTION 9. TERMINATION OF AGREEMENT.

(a) TERMINATION; GENERAL. The Representative may terminate this Agreement, by notice to the Company, at any time at or prior to Closing Time (i) if there has been, since the time of execution of this Agreement or since the respective dates as of which information is

given in the Prospectus, any material adverse change in the condition, financial or otherwise, or in the results of operations, business affairs or business prospects of the Company, whether or not arising in the ordinary course of business, or (ii) if there has occurred any material adverse change in the financial markets in the United States or the international financial markets, any outbreak of hostilities or escalation thereof or other calamity or crisis the effect of which is such as to make it, in the judgment of the Representative, impracticable to market the Notes or to enforce contracts for the sale of the Notes, or (iii) if trading in any securities of the Company has been suspended or materially limited by the Commission or the New York Stock Exchange, or if trading generally on the American Stock Exchange or the New York Stock Exchange or in the Nasdaq National Market has been suspended or materially limited (other than to provide for an orderly market), or minimum or maximum prices for trading have been fixed, or maximum ranges for prices have been required, by any of said exchanges or by such system or by order of the Commission, the National Association of Securities Dealers, Inc. or any other governmental authority, or (iv) if a banking moratorium has been declared by either Federal or New York authorities.

(b) LIABILITIES. If this Agreement is terminated pursuant to this Section, such termination shall be without liability of any party to any other party except as provided in Section 4 hereof, and PROVIDED, FURTHER that Sections 1, 6, 7 and 8 shall survive such termination and remain in full force and effect.

SECTION 10. DEFAULT BY ONE OR MORE OF THE UNDERWRITERS. If one or more of the Underwriters shall fail at Closing Time to purchase the Notes which it or they are obligated to purchase under this Agreement (the "DEFAULTED SECURITIES"), the Representative shall have the right, within 24 hours thereafter, to make arrangements for one or more of the non-defaulting Underwriters, or any other underwriters, to purchase all, but not less than all, of the Defaulted Securities in such principal amounts as may be agreed upon and upon the terms herein set forth; if, however, the Representative shall not have completed such arrangements within such 24-hour period, then:

(a) if the aggregate principal amount of the Defaulted Securities does not exceed 10% of the aggregate principal amount of the Notes to be purchased on such date, each of the non-defaulting Underwriters shall be obligated, severally and not jointly, to purchase the full amount thereof in the proportions that their respective underwriting obligations hereunder bear to the underwriting obligations of all non-defaulting Underwriters, or

(b) if the aggregate principal amount of the Defaulted Securities exceeds 10% of the aggregate principal amount of the Notes to be purchased on such date, this Agreement shall terminate without liability on the part of any non-defaulting Underwriter.

No action taken pursuant to this Section shall relieve any underwriter from liability in respect of its default.

In the event of any such default which does not result in a termination of this Agreement either (i) the Representative or (ii) the Company shall have the right to postpone Closing Time for a period not exceeding seven days in order to effect any required changes in the Registration

Statement or Prospectus or in any other documents or arrangements. As used herein, the term "Underwriter" includes any person substituted for an Underwriter under this Section 10.

SECTION 11. NOTICES. All notices and other communications hereunder shall be in

writing and shall be deemed to have been duly given if mailed or transmitted by any standard form of telecommunication. Notices to the Underwriters shall be directed to the Representative at the addresses set forth on Schedule B; notices to the Company shall be directed to it at 702 North Franklin Street, Tampa, Florida 33602, Facsimile: (813) 228-1328, Attention: Secretary.

SECTION 12. PARTIES. This Agreement shall inure to the benefit of and be binding upon the Underwriters, the Company and their respective successors. Nothing expressed or mentioned in this Agreement is intended or shall be construed to give any person, firm or corporation, other than the Underwriters, the Company and their respective successors and the controlling persons and officers and directors referred to in Sections 6 and 7 and their heirs and legal Representative, any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. This Agreement and all conditions and provisions hereof are intended to be for the sole and exclusive benefit of the Underwriters, the Company and their respective successors, and said controlling persons and officers, directors and their heirs and legal Representative, and for the benefit of no other person, firm or corporation. No purchaser of Notes from any Underwriter shall be deemed to be a successor by reason merely of such purchase.

SECTION 13. UNDERWRITERS' INFORMATION. The parties hereto acknowledge and agree that the only information provided by any Underwriter to the Company through the Representative specifically for use in the Registration Statement or Prospectus shall be the statements contained in the second paragraph, the third sentence of the third paragraph and the fifth paragraph under the heading "Underwriting" in the Prospectus.

SECTION 14. GOVERNING LAW AND TIME. THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF NEW YORK. EXCEPT AS OTHERWISE SET FORTH HEREIN, SPECIFIED TIMES OF DAY REFER TO NEW YORK CITY TIME.

SECTION 15. EFFECT OF HEADINGS. The Article and Section headings herein are for convenience only and shall not affect the construction hereof.

SECTION 16. COUNTERPARTS. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

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If the foregoing is in accordance with your understanding of our agreement, please sign and return to us the enclosed duplicate hereof, whereupon this letter and your acceptance shall represent a binding agreement between the Company and the Underwriters.

Very truly yours,

TAMPA ELECTRIC COMPANY

By: /s/ Gordon L. Gillette

Name: Gordon L. Gillette
Title: Senior Vice President-Finance and Chief Financial Officer

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The foregoing Agreement is hereby confirmed and accepted as of the date first written above.

BANC OF AMERICA SECURITIES LLC

By: /s/ Lynn McConnell

Managing Director

For themselves and the other Underwriters named in SCHEDULE A to the foregoing Agreement.

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SCHEDULE A

UNDERWRITER	PRINCIPAL AMOUNT
Banc of America Securities LLC	$150,000,000
BNP Paribas Securities Corp.	25,000,000
Scotia Capital (USA) Inc.	25,000,000
TD Securities (USA) Inc.	25,000,000
Westdeutsche Landesbank Girozentrale	25,000,000
Total	$250,000,000

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SCHEDULE B

TITLE: 6.875% Notes due 2012

AGGREGATE PRINCIPAL AMOUNT: $250,000,000

INTEREST PAYMENT DATES: June 15 and December 15 of each year, beginning December 15, 2001.

MATURITY: June 15, 2012

OPTIONAL REDEMPTION: The Notes will be redeemable, at the option of the Company, in whole or in part from time to time, at the redemption prices described in the Prospectus under the heading "Description of the Notes--Optional Redemption". The Notes may not be redeemed at any time at the option of the holders.

RATING: Moody's Investors Service, Inc.: A1
Standard & Poor's Ratings Services: A
Fitch, Inc.: AA-

PURCHASE PRICE: 98.928%

CLOSING: 9:00 A.M. on June 25, 2001, at the offices of Palmer & Dodge LLP, in Boston, Massachusetts, in Federal (same day) funds.

SETTLEMENT AND TRADING: Book-Entry Only via the Depository Trust Company ("DTC"). The Notes will trade in DTC's Same Day Funds Settlement System.

NOTICES: Notices to be given to the Underwriters should be directed to the Representative as follows:

Banc of America Securities LLC
Bank of America Corporate Center
100 North Tryon Street
Charlotte, NC 28255
Attn: Lynn T. McConnell

with a copy of any notice pursuant to Section 6(c) to:

Bank of America Securities LLC
100 North Tryon Street
Charlotte, NC 28255
Attn: Legal Department

EX-5.10 OTHERDOC
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OPINION AND CONSENT OF PALMER AND DODGE LLP

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PALMER & DODGE LLP
One Beacon Street, Boston, MA 02108-3190

TELEPHONE: (617) 573-0100 FACSIMILE: (617) 227-4420

June 25, 2001

Tampa Electric Company
702 North Franklin Street
Tampa, Florida 33602

Ladies and Gentlemen:

Reference is made to our opinion dated February 6, 2001 and included as Exhibit 5.1 to the Registration Statement on Form S-3 (Registration No. 333-55090) (the "Registration Statement") filed on February 6, 2001 by Tampa Electric Company, a Florida corporation (the "Company") with the Securities and Exchange Commission (the "Commission") under the Securities Act of 1933, as amended (the "Securities Act"). We are rendering this supplemental opinion in connection with the prospectus supplement (the "Prospectus Supplement") filed on or about June 22, 2001 by the Company with the Commission pursuant to Rule 424 under the Securities Act. The Prospectus Supplement relates to the offering by the Company of $250 million aggregate principal amount of 6.876% Notes due 2012 (the "Notes"), which Notes are covered by the Registration Statement. The Notes will be issuable under an indenture dated as of July 1, 1998 (the "Base Indenture") between the Company and The Bank of New York, as trustee (the "Trustee"), as supplemented by a third supplemental indenture dated as of June 15, 2001 between the Company and the Trustee (together with the Base Indenture, the "Indenture"). We understand that the Notes are to be offered and sold in the manner described in the Prospectus Supplement.

We have acted as your counsel in connection with the preparation of the Registration Statement and the Prospectus Supplement. We are familiar with the proceedings of the Board of Directors of the Company in connection with the authorization, issuance and sale of the Notes. We have examined such other documents as we consider necessary to render this opinion. We advise you that, in our opinion, the Notes have been duly authorized by all necessary corporate action of the Company, and when the Notes have been duly executed, authenticated and delivered in accordance with the Indenture relating to the Notes against payment of the purchase price therefor and issued and sold as contemplated in the Prospectus Supplement, the Notes will constitute valid and binding

obligations of the Company, subject to (i) bankruptcy, insolvency, reorganization, moratorium and other similar laws of general application affecting the rights and remedies of creditors, and (ii) general principles of equity, regardless of whether applied in proceedings in equity or at law. We have relied as to certain matters on information obtained from public officials, officers of the Company and other sources believed by us to be responsible.

The Indenture and Notes are governed by the laws of the State of New York and, therefore, in rendering our opinion as to the validity and binding effect of the Notes, we have relied on the opinion of Ropes & Gray with respect to matters of New York law. Except to the extent of such reliance, the opinion rendered herein is limited to the Florida Business

Corporation Act (including the reported judicial decisions interpreting that Act and applicable provisions, if any, of the Florida Constitution) and the federal laws of the United States.

We hereby consent to the filing of this opinion as part of the Registration Statement and to the reference to our firm under the caption "Legal Matters" in the Prospectus Supplement.

Very truly yours,

PALMER & DODGE LLP

EX-5.11 OTHERDOC
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OPINION AND CONSENT OF ROPES AND GRAY

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June 25, 2001

Palmer & Dodge LLP
One Beacon Street
Boston, Massachusetts 02108

Ladies and Gentlemen:

Reference is made to our opinion dated January 30, 2001 and included as Exhibit 5.2 to the Registration Statement on Form S-3 (File No. 333-55090) (the "Registration Statement") filed on February 6, 2001 by Tampa Electric Company, a Florida corporation (the "Company"), with the Securities and Exchange Commission under the Securities Act of 1933, as amended (the "Securities Act"). We are rendering this supplemental opinion in connection with the prospectus supplement dated June 20, 2001 (the "Prospectus Supplement") filed by the Company pursuant to Rule 424 promulgated under the Securities Act. The Prospectus Supplement relates to the offering by the Company of an aggregate principal amount of $250,000,000 of 6.875% Notes due 2012 (the "Notes"). The Notes will be issuable under an indenture dated as of July 1, 1998 (the "Base Indenture") between the Company and The Bank of New York, as trustee (the "Trustee"), as amended and supplemented by a third supplemental indenture dated as of June 15, 2001 between the Company and the Trustee (together with the Base Indenture, the "Indenture").

We have examined originals or copies, certified or otherwise identified to our satisfaction, of such documents and records and have made such investigation of fact and such examination of law as we have deemed appropriate in order to enable us to render the opinion set forth herein. In conducting such investigation, we have relied, without independent verification, upon certificates of officers of the Company, public officials and other appropriate persons.

The opinion expressed herein is limited to matters governed by the laws of the State of New York.

Based upon the foregoing and assuming that the Indenture has been duly authorized, executed and delivered by the parties thereto, the Notes have been duly authorized by all necessary corporate acts by the Company, the Registration Statement has become effective under

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the Securities Act, the terms of the Notes and of their issuance and sale have been duly established in conformity with the Indenture so as not to violate any applicable law or result in a default under or breach of any agreement or instrument binding upon the Company and so as to comply with any requirement or restriction imposed by any court or governmental or regulatory body having jurisdiction over the Company or any of its property, and the Notes have been duly executed, authenticated and delivered in accordance with the Indenture against payment of the purchase price therefor and issued and sold as contemplated by the Prospectus Supplement, we are of the opinion that the Notes will constitute the valid and binding obligations of the Company, subject to (i) bankruptcy, insolvency, reorganization, moratorium and other similar laws of general application affecting the rights and remedies of creditors, and (ii) general principles of equity, regardless of whether applied in proceedings in equity or at law.

We hereby consent to the filing of this opinion as an exhibit to the Registration Statement and to the use of our name therein and in the Prospectus Supplement under the caption "Legal Matters."

Very truly yours,

/s/ ROPES & GRAY

Ropes & Gray

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SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K
CURRENT REPORT

Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported):
JUNE 25, 2001

TAMPA ELECTRIC COMPANY
(Exact name of registrant as specified in its charter)

FLORIDA	1-5007	59-0475140
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

702 NORTH FRANKLIN STREET, TAMPA FLORIDA 33602
(Address of principal executive offices and zip code)

(813) 228-4111
(Registrant's telephone number, including area code)

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ITEM 5. OTHER

In order to furnish certain exhibits for incorporation by reference into the Registration Statement on Form S-3 of Tampa Electric Company previously filed with Securities and Exchange Commission (File No. 333-55090), which Registration Statement was declared effective by the Commission on February 16, 2000, Tampa Electric Company is filing the Third Supplemental Indenture dated as of June 15, 2001 between Tampa Electric Company and The Bank of New York as Exhibit 4.2 to such Registration Statement and the 6.875% Notes due 2012 as Exhibit 4.3 to such Registration Statement.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL STATEMENTS AND EXHIBITS.

(c) Exhibits.

4.2 Third Supplemental Indenture dated as of June 15, 2001 by and between Tampa Electric Company and The Bank of New York. Filed herewith.

4.3 6.875% Notes due 2012. Filed herewith.

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SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Date: June 27, 2001

TAMPA ELECTRIC COMPANY

By: /s/ Sandra W. Callaghan

Sandra W. Callaghan
Treasurer and Assistant Secretary

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EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
4.2	Third Supplemental Indenture dated as of June 15, 2001 by and between Tampa Electric Company and The Bank of New York. Filed herewith.
4.3	6.875% Notes due 2012. Filed herewith.

EX-4.2 OTHERDOC
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THIRD SUPPLEMENTAL INDENTURE DATED JUNE 25, 2001

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Document is copied.
EXHIBIT 4.2

TAMPA ELECTRIC COMPANY

and

THE BANK OF NEW YORK
As Trustee

THIRD SUPPLEMENTAL INDENTURE

dated as of June 15, 2001

Supplementing the Indenture

dated as of July 1, 1998

$250,000,000

6.875% Notes Due 2012

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TABLE OF CONTENTS

This Third Supplemental Indenture, dated as of June 15, 2001, between Tampa Electric Company, a corporation duly organized and existing under the laws of the State of Florida (hereinafter called the "COMPANY") and having its principal office at TECO Plaza, 702 North Franklin Street, Tampa, Florida 33602, and The Bank of New York, as trustee (hereinafter called the "TRUSTEE") and having its principal corporate trust office at 101 Barclay Street, 21st Floor West, New York, New York 10286.

WITNESSETH:

WHEREAS, the Company and the Trustee entered into an Indenture, dated as of July 1, 1998 (the "ORIGINAL INDENTURE"), pursuant to which one or more series of debt of the Company (the "SECURITIES") may be issued from time to time; and

WHEREAS, Section 201 of the Original Indenture permits the terms of any series of Securities to be established in an indenture supplemental to the Original Indenture; and

WHEREAS, Section 901(7) of the Original Indenture provides that a

supplemental indenture may be entered into by the Company and the Trustee without the consent of any Holders of the Securities to establish the form and terms of the Securities of any series; and

WHEREAS, the Company has requested the Trustee to join with it in the execution and delivery of this Third Supplemental Indenture in order to supplement and amend the Original Indenture by, among other things, establishing the form and terms of one series of Securities to be known as the Company's "6.875% Notes Due 2012" (the "NOTES") and amending and adding certain provisions thereof for the benefit of the Holders of the Notes; and

WHEREAS, the Company and the Trustee desire to enter into this Third Supplemental Indenture for the purposes set forth in Sections 201 and 901 of the Original Indenture as referred to above; and

WHEREAS, the Company has furnished the Trustee with a Board Resolution authorizing the execution of this Third Supplemental Indenture; and

WHEREAS, all things necessary to make this Third Supplemental Indenture a valid agreement of the Company and the Trustee and a valid supplement to the Original Indenture have been done,

NOW, THEREFORE, THIS THIRD SUPPLEMENTAL INDENTURE WITNESSETH:

For and in consideration of the premises and the purchase of the Notes to be issued hereunder by holders thereof, the Company and the Trustee mutually covenant and agree, for the equal and proportionate benefit of the respective holders from time to time of the Notes, as follows:

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ARTICLE ONE
DEFINITIONS AND OTHER PROVISIONS OF GENERAL APPLICATION

SECTION 101. DEFINITIONS

All capitalized terms that are used herein and not otherwise defined herein shall have the meanings assigned to them in the Original Indenture. The Original Indenture together with this Third Supplemental Indenture are hereinafter sometimes collectively referred to as the "INDENTURE."

"BUSINESS DAY" shall mean any day other than a Saturday or Sunday that is neither a legal holiday nor a day on which banking institutions are authorized or required by law or regulations to close in the City of New York.

"DEPOSITARY" shall have the meaning specified in Section 203 hereof.

"INTEREST RATE" shall mean the annual rate of interest applicable to the Notes.

"INTEREST PAYMENT DATE" shall have the meaning set forth in Section 204(a) hereof.

"NOTES" shall have the meaning set forth in Section 201 hereof.

"ORIGINAL ISSUE DATE" shall mean the date upon which the Notes are initially issued by the Company, such date to be set forth on the face of the Note.

"RECORD DATE" shall mean the fifteenth calendar day (whether or not a Business Day) immediately preceding the related Interest Payment Date.

"STATED MATURITY DATE" shall mean June 15, 2012.

SECTION 102. SECTION REFERENCES

Each reference to a particular section set forth in this Third Supplemental Indenture shall, unless the context otherwise requires, refer to this Third Supplemental Indenture.

ARTICLE TWO
DESIGNATION AND TERMS OF THE NOTES

SECTION 201. ESTABLISHMENT OF SERIES

There is hereby created a series of Securities to be known and designated as the "6.875% Notes Due 2012" (the "NOTES"), which shall rank equally with each other and all other unsecured and unsubordinated indebtedness of the Company. For the purposes of the Original Indenture, the Notes shall constitute a single series of Securities.

SECTION 202. VARIATIONS IN TERMS OF NOTES

Subject to the terms and conditions set forth in the Original Indenture and in this Third Supplemental Indenture, the terms of any particular Note may vary from the terms of any other Note as contemplated by Section 301 of the Original Indenture, and the terms for a particular Note will be set forth in such Note as delivered to the Trustee or an Authenticating Agent for authentication pursuant to Section 303 of the Original Indenture.

SECTION 203. AMOUNT AND DENOMINATIONS; THE DEPOSITARY

The aggregate principal amount of Notes that may be issued under this Third Supplemental Indenture is limited to $250,000,000. The authorized denominations of Notes shall be $1,000 or integral multiples of $1,000 in excess thereof.

The Notes shall be issuable only in fully registered form, without coupons, and will initially be registered in the name of The Depository Trust Company or its successor ("DEPOSITARY"), or its nominee who is hereby designated as "U.S. Depositary" under the Original Indenture.

SECTION 204. INTEREST RATES AND INTEREST PAYMENT DATES

(a) Interest Rate. The Notes shall bear interest at the annual rate set forth on the face thereof (the "INTEREST RATE") from the Original Issue Date to the Stated Maturity Date. Interest on the Notes will be payable semi-annually on June 15 and December 15 of each year (each, an "INTEREST PAYMENT DATE"), commencing on December 15, 2001. Such interest will be payable to the holder thereof as of the related Record Date.

(b) Computation of Interest. The amount of interest payable for any period will be computed on the basis of a year of 360 days consisting of twelve 30-day months. Except for the effect of any adjustment in the Interest Payment Date as provided in the following sentence, the amount of interest payable for any period shorter than a full six-month period for which interest is computed, will be computed on the basis of the actual number of days elapsed in such a 180-day period. If any Interest Payment Date would otherwise be a day that is not a Business Day, such Interest Payment Date will be postponed to the next succeeding Business Day, and no interest will accrue on such payment for the period from and after such Interest Payment Date to the date of such payment on the next succeeding Business Day, except that, if such Business Day is in the next succeeding calendar year, such payment shall be made on the immediately preceding Business Day, in each case with the same force and effect as if made on such date.

SECTION 205. FORM AND OTHER TERMS OF THE NOTES

(a) Attached hereto as EXHIBIT A is the form of Note, which form is hereby established as the form in which Notes may be issued.

(b) Subject to (a) above, any Note may be issued in such other form as may be provided by, or not inconsistent with, the terms of the Original Indenture and this Third Supplemental Indenture.

SECTION 206. AUTHENTICATION AND DELIVERY

As provided in and pursuant to Section 303 of the Original Indenture, each time that the Company delivers Notes to the Trustee or Authenticating Agent for authentication after the initial issuance of Notes under this Indenture, the Company shall deliver a Supplemental Company Order in the form of EXHIBIT B to this Third Supplemental Indenture for the authentication and delivery of such Notes and the Trustee or such Authenticating Agent shall authenticate and deliver such Notes.

SECTION 207. REDEMPTION, NO SINKING FUND

The Notes are subject to redemption, in whole or in part, at any time, and at the option of the Company, at a redemption price equal to the greater of:

(i) 100% of the principal amount of Notes then outstanding to be redeemed, or

(ii) the sum of the present values of the remaining scheduled payments of principal and interest on the Notes then outstanding to be redeemed (not including any portion of such payments of interest accrued as of the redemption date) discounted to the redemption date on a semiannual basis (computed based on a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate, plus 25 basis points (0.25%), as calculated by an Independent Investment Banker,

plus, in both of the above cases, accrued and unpaid interest thereon to the redemption date.

The Company will mail a notice of redemption at least 30 days but no more than 60 days before the redemption date to each holder of Notes to be redeemed. If the Company elects to partially redeem the Notes, the Trustee will select in a fair and appropriate manner the Notes to be redeemed.

Unless the Company defaults in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the Notes or portions thereof called for redemption.

The Notes are not entitled to the benefit of any sinking fund or analogous provision.

"ADJUSTED TREASURY RATE" means, with respect to any redemption date:

(iii) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated "H.15(519)" or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption "Treasury Constant Maturities," for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three months before or after the Remaining Life, as defined below, yields for the two published maturities most closely

corresponding to the Comparable Treasury Issue will be determined and the Adjusted Treasury Rate will be interpolated or extrapolated from

such yields on a straight line basis, rounding to the nearest month); or

(iv) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

The Adjusted Treasury Rate will be calculated on the third Business Day preceding the redemption date.

"COMPARABLE TREASURY ISSUE" means the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the Notes to be redeemed that would be used, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such Notes (the "REMAINING LIFE").

"COMPARABLE TREASURY PRICE" means (1) the average of five Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (2) if the Independent Investment Banker obtains fewer than five such Reference Treasury Dealer Quotations, the average of all such quotations.

"INDEPENDENT INVESTMENT BANKER" means Banc of America Securities LLC and its successors, or if that firm is unwilling or unable to serve as such, an independent investment and banking institution of national standing appointed by the Company.

"REFERENCE TREASURY DEALER" means:

(i) Banc of America Securities LLC and its successors; provided that, if Banc of America Securities LLC ceases to be a primary U.S. Government securities dealer in New York City (a "Primary Treasury Dealer"), the Company will substitute another Primary Treasury Dealer; and

(ii) up to four other Primary Treasury Dealers selected by the Company.

"REFERENCE TREASURY DEALER QUOTATIONS" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker at 5:00 p.m., New York City time, on the third Business Day preceding such redemption date.

ARTICLE THREE
AMENDMENTS TO ORIGINAL INDENTURE

SECTION 301. AMENDMENT TO CORRECT SECTION 610 OF ORIGINAL INDENTURE

In order to correct a mistaken reference, pursuant to Section 901(9) of the Original Indenture, Section 610(d)(1) of the Original Indenture is hereby amended, effective immediately, to read as follows:

"(d) If at any time:

(1) the Trustee shall fail to comply with Section 608 after written request therefor by the Company or any Holder who has been a

bona fide Holder of a Security for at least six months, or"

SECTION 302. ADDITIONAL AMENDMENT TO MODIFY DEFINITION IN THE ORIGINAL INDENTURE

In order to modify a provision of the Original Indenture in a manner not adversely affecting the interests of the Holders of Securities of any series in any material respect, pursuant to Section 901(9) of the Original Indenture, the definition of "Company Request" or "Company Order" in Section 101 of the Original Indenture is hereby amended, effective immediately, to read as follows:

> "'COMPANY REQUEST' or 'COMPANY ORDER' means a written request or order signed in the name of the Company by its President, a Vice President, its Chief Financial Officer, its Treasurer or an Assistant Treasurer and delivered to the Trustee."

SECTION 303. AMENDMENT TO SECTION 801 OF ORIGINAL INDENTURE

Subparagraph (1) of Section 801 of the Original Indenture is amended, effective as provided in Section 304 hereof, to read as follows:

> "(1) the Corporation formed by such consolidation into which the Company is merged or the Person which acquires by conveyance or transfer the properties and assets of the Company substantially as an entirety (a) shall be, if a Corporation, a Corporation organized and existing under the laws of (i) the United States of America or any State or the District of Columbia or (ii) a foreign jurisdiction and which consents to the jurisdiction of the courts of the United States of America or of any State, and (b) shall expressly assume, by an indenture supplemental hereto, executed and delivered to the Trustee, in form satisfactory to the Trustee, the due and punctual payment of the principal of (and premium, if any) and interest on all the Securities and the performance of every covenant of this Indenture on the part of the Company to be performed or observed;"

SECTION 304. EFFECTIVENESS OF AMENDMENT UNDER SECTION 303.

The amendment to the Original Indenture set forth in Section 303 hereof shall be effective upon the approval of the Holders of Outstanding Securities under the Indenture as required by Section 901(5) and Section 902 of the Original Indenture. For this purpose, the Holders of the Notes, by their acquisition thereof, shall be deemed to have approved such amendment.

ARTICLE FOUR
MISCELLANEOUS

SECTION 401. EFFECT ON ORIGINAL INDENTURE

The Third Supplemental Indenture is a supplement to the Original Indenture. As supplemented by this Third Supplemental Indenture, the Original Indenture is in all respects ratified, approved and confirmed, and the Original Indenture and this Third Supplemental Indenture shall together constitute one and the same instrument.

SECTION 402. COUNTERPARTS

This Third Supplemental Indenture may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute by one and the same instrument.

SECTION 403. RECITALS

The recitals contained herein shall be taken as the statements of the

Company, and the Trustee assumes no responsibility for their correctness. The Trustee makes no representations as to the validity or sufficiency of this Third Supplemental Indenture.

SECTION 404. GOVERNING LAW

This Third Supplemental Indenture shall be governed by and construed in accordance with the laws of the jurisdiction that govern the Original Indenture and its construction.

[The balance of this page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have caused this Third Supplemental Indenture to be duly executed as of the date and year first written above.

TAMPA ELECTRIC COMPANY

By: /s/ Gordon L. Gillette

Name: Gordon L. Gillette
Title: Senior Vice President - Finance and Chief Financial Officer

THE BANK OF NEW YORK, AS TRUSTEE

By: /s/ James Hall

Name: James Hall
Title: Vice President

State of Georgia)
) SS.:
County of Carroll)

On the 20th day of June, 2001 before me personally came Gordon Lindsay Gillette to me known, who, being by me duly sworn, did depose and say that s/he is Sr. V.P., Finance of TAMPA ELECTRIC COMPANY, one of the corporations described in and which executed the foregoing instrument.

Glenda H. Kunz

Notary Public

State of New York)
) SS.:
County of New York)

On the 21st day of June, 2001 before me personally came James Hall, to me known, who, being by me duly sworn, did depose and say that he/she is Vice President of THE BANK OF NEW YORK, one of the corporations described in and which executed the foregoing instrument.

Karen Katlan

Notary Public

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EXHIBIT A

FORM OF NOTE

[Not reproduced here to avoid unnecessary reproduction. See Exhibit 4.3 to this Current Report on Form 8-K for a copy of the executed Note.]

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EXHIBIT B

TAMPA ELECTRIC COMPANY

6.875% NOTES DUE 2012

SUPPLEMENTAL COMPANY ORDER

Pursuant to Section 206 of Article Two of the Third Supplemental Indenture, dated as of June 15, 2001, to the Indenture, dated as of July 1, 1998, as amended, you are instructed to prepare and authenticate a Note, of the series identified above, in the principal amount of $_____. The Note is being delivered in exchange for issued and outstanding Notes of the series identified above.

IN WITNESS WHEREOF, I have hereunto set my hand this _____ day of _____, ____.

TAMPA ELECTRIC COMPANY

By:

Name:
Title:

Exhibit B -- 1

EX-4.3 OTHERDOC
3
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6.875% NOTES DUE 2012

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Document is copied.
EXHIBIT 4.3

CUSIP NO.: 875127AS1 PRINCIPAL AMOUNT: $250,000,000

REGISTERED NO.: 1

TAMPA ELECTRIC COMPANY

6.875% Notes Due 2012

[X] Check this box if the Note is a Global Note.
Applicable if the Note is a Global Note:

UNLESS THIS CERTIFICATE IS PRESENTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY, A NEW YORK CORPORATION, TO THE ISSUER OR ITS AGENT FOR REGISTRATION OF TRANSFER, EXCHANGE OR PAYMENT, AND ANY CERTIFICATE ISSUED IS REGISTERED IN THE NAME OF CEDE & CO. OR IN SUCH OTHER NAME AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY (AND ANY PAYMENT IS MADE TO CEDE & CO. OR SUCH OTHER ENTITY AS IS REQUESTED BY AN AUTHORIZED REPRESENTATIVE OF THE DEPOSITORY TRUST COMPANY), ANY TRANSFER, PLEDGE OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL INASMUCH AS THE REGISTERED OWNER HEREOF, CEDE & CO., HAS AN INTEREST HEREIN.

This Note is a Global Security within the meaning of the Indenture hereinafter referred to and is registered in the name of Cede & Co., or such other nominee of The Depository Trust Company, a New York corporation, or any successor depositary ("Depositary"), as requested by an authorized representative of the Depositary. This Note is exchangeable for Notes registered in the name of a person other than the Depositary or its nominee only in the limited circumstances described in the Indenture and may not be transferred except as a whole by the Depositary to a nominee of the Depositary or by a nominee of the Depositary to the Depositary or another nominee of the Depositary.

ORIGINAL ISSUE DATE:
June 25, 2001

YIELD TO MATURITY: N/A
ISSUE PRICE: 99.578% (as a percentage of principal amount)
REDEMPTION: Redeemable in whole or

SINKING FUND: N/A

INTEREST PAYMENT DATES: June 15 and

December 15 of each year, up to but excluding June 15, 2012, commencing

December 15, 2001.

SPECIFIED CURRENCY: U.S. dollars in part, at the Company's option,
STATED MATURITY: June 15, 2012 (if other than U.S. dollars): N/A from time to time at the redemption

prices described on the reverse of
INTEREST RATE: To but excluding AUTHORIZED DENOMINATIONS: N/A this Note.
June 15, 2012, 6.875% per annum. (Only applicable if Specified Currency is other than U.S. dollars)

REMARKETING PROVISIONS: N/A

DEPOSITARY: The Depository Trust

Company

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TAMPA ELECTRIC COMPANY, a corporation duly organized and existing under the laws of the State of Florida (herein called the "COMPANY," which term includes any successor Corporation under the Indenture hereinafter referred to), for value received, hereby promises to pay to CEDE & CO., or registered assigns, the principal sum set forth on the face of this Note on the Stated Maturity, upon the presentation and surrender hereof at the principal corporate trust office of The Bank of New York, or its successor in trust (the "TRUSTEE") or such other office as the Trustee has designated in writing, and to pay interest on the unpaid principal balance hereof at a rate per annum (computed based on a 360-day year consisting of twelve 30-day months) equal to the Interest Rate set forth on the face of this Note for the period from the Original Issue Date to, but excluding, the Stated Maturity.

Interest will be payable on the Interest Payment Dates to the Person in whose name this Note is registered at the close of business on the related Record Date, which is the fifteenth calendar day (whether or not a Business Day) immediately preceding the related Interest Payment Date. In each case, payments shall be made in accordance with the provisions hereof, until the principal hereof is paid or duly made available for payment.

Interest on this Note will be computed on the basis of a year of 360 days consisting of twelve 30-day months. Except for the effect of any adjustment in the Interest Payment Date as provided in the following sentence, the amount of interest payable for any period shorter than a full six-month period for which interest is computed, will be computed on the basis of the actual number of days elapsed in such a 180-day period. If any Interest Payment Date would otherwise be a day that is not a Business Day, such Interest Payment Date will be postponed to the next succeeding Business Day, and no interest will accrue on such payment for the period from and after such Interest Payment Date to the date of such payment on the next succeeding Business Day, except that, if such Business Day is in the next succeeding calendar year, such payment shall be made on the immediately preceding Business Day, in each case with the same force and effect as if made on such date.

Payment of the principal of (and premium, if any) and any such interest on this Note shall be made in immediately available funds at the office or agency of the Company maintained for that purpose in the City of New York in the State of New York, in such coin or currency of the United States of America as at the time of payment is legal tender for payment of public and private debts.

Reference is hereby made to the further provisions of this Note set forth on the reverse hereof, which further provisions shall for all purposes have the same effect as if set forth at this place.

Unless the certificate of authentication hereon has been executed by the Trustee referred to on the reverse hereof by manual signature, this Note

shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

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IN WITNESS WHEREOF, TAMPA ELECTRIC COMPANY has caused this instrument to be duly executed.

Dated: June 25, 2001

TRUSTEE'S CERTIFICATE
OF AUTHENTICATION

This is one of the series designated therein referred to in the within-mentioned Indenture.

THE BANK OF NEW YORK,
as Authenticating Agent for the Trustee

By: /s/ James Hall

Authorized signatory

TAMPA ELECTRIC COMPANY

By: /s/ Gordon L. Gillette

Name: Gordon L. Gillette
Title: Sr. Vice President - Finance, Chief Financial Officer

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(REVERSE OF NOTE)

TAMPA ELECTRIC COMPANY

6.875% Notes Due 2012

This Note is one of a duly authorized issue of securities of the Company (herein called the "NOTES"), issued and to be issued under an Indenture dated as of July 1, 1998, as supplemented by the Third Supplemental Indenture, dated as of June 15, 2001 (as such has been or shall be amended or supplemented, the "INDENTURE"), between the Company and The Bank of New York, as trustee (the "TRUSTEE", which term includes any successor Trustee under the Indenture), to which Indenture reference is hereby made for a statement of the respective rights, limitations of rights, duties and immunities thereunder of the Company, the Trustee and the Holders of the Notes and of the terms upon which the Notes are, and are to be, authenticated and delivered. This Note is one of the securities of the series designated on the face hereof, limited in aggregate principal amount to $250,000,000.

DEFINITIONS

The following terms, as used herein, have the following meanings unless the context or use clearly indicates another or different meaning or intent:

"ADJUSTED TREASURY RATE" means, with respect to any redemption date:

(i) the yield, under the heading which represents the average for the immediately preceding week, appearing in the most recently published statistical release designated "H.15(519)" or any successor publication which is published weekly by the Board of Governors of the Federal Reserve System and which establishes yields on actively traded United States Treasury securities adjusted to constant maturity under the caption "Treasury Constant Maturities," for the maturity corresponding to the Comparable Treasury Issue (if no maturity is within three months before or after the Remaining Life, as defined below, yields for the two published maturities most closely corresponding to the Comparable Treasury Issue will be determined and the Adjusted Treasury Rate will be interpolated or extrapolated from such yields on a straight line basis, rounding to the nearest month); or

(ii) if such release (or any successor release) is not published during the week preceding the calculation date or does not contain such yields, the rate per annum equal to the semi-annual equivalent yield to maturity of the Comparable Treasury Issue, calculated using a price for the Comparable Treasury Issue (expressed as a percentage of its principal amount) equal to the Comparable Treasury Price for such redemption date.

The Adjusted Treasury Rate will be calculated on the third Business Day preceding the redemption date.

"BUSINESS DAY" shall mean any day other than a Saturday or Sunday that is neither a legal holiday nor a day on which banking institutions are authorized or required by law or regulations to close in the City of New York.

"COMPARABLE TREASURY ISSUE" means the United States Treasury security selected by an Independent Investment Banker as having a maturity comparable to the remaining term of the Notes to be redeemed that would be used, at the time of selection and in accordance with customary financial practice, in pricing new issues of corporate debt securities of comparable maturity to the remaining term of such Notes (the "REMAINING LIFE").

"COMPARABLE TREASURY PRICE" means (1) the average of five Reference Treasury Dealer Quotations for such redemption date, after excluding the highest and lowest Reference Treasury Dealer Quotations, or (2) if the Independent Investment Banker obtains fewer than five such Reference Treasury Dealer Quotations, the average of all such quotations.

"DEPOSITARY" shall mean The Depository Trust Company or any successor depositary.

"INDEPENDENT INVESTMENT BANKER" means Banc of America Securities LLC and its successors, or if that firm is unwilling or unable to serve as such, an independent investment and banking institution of national standing appointed by the Company.

"INTEREST PAYMENT DATE" shall mean the date on which interest on this Note is paid, which date(s) are set forth on the face of this Note.

"REFERENCE TREASURY DEALER" means:

(i) Banc of America Securities LLC and its successors; provided that, if Banc of America Securities LLC ceases to be a primary U.S. Government securities dealer in New York City (Primary Treasury Dealer), the Company will substitute another Primary Treasury Dealer; and

(ii) up to four other Primary Treasury Dealers selected by the Company.

"REFERENCE TREASURY DEALER QUOTATIONS" means, with respect to each Reference Treasury Dealer and any redemption date, the average, as determined by the Independent Investment Banker, of the bid and asked prices for the Comparable Treasury Issue (expressed in each case as a percentage of its principal amount) quoted in writing to the Independent Investment Banker at 5:00 p.m., New York City time, on the third Business Day preceding such redemption date.

INTEREST RATE

This Note will bear interest at the rate per annum (computed based on a 360-day year consisting of twelve 30-day months) identified on the face of this Note. Except for the effect of any adjustment in the Interest Payment Date as provided in the following sentence, the amount of interest payable for any period shorter than a full six-month period for which interest is computed, will be computed on the basis of the actual number of days elapsed in such a 180-day period. If any Interest Payment Date would otherwise be a day that is not a Business Day, such Interest Payment Date will be postponed to the next succeeding Business Day, and no interest

will accrue on such payment for the period from and after such Interest Payment Date to the date of such payment on the next succeeding Business Day, except that, if such Business Day is in the next succeeding calendar year, such payment shall be made on the immediately preceding Business Day, in each case with the same force and effect as if made on such date.

OPTIONAL REDEMPTION

The Notes are subject to redemption, in whole or in part, at any time, and at the option of the Company, at a redemption price equal to the greater of:

(i) 100% of the principal amount of Notes then outstanding to be redeemed, or

(ii) the sum of the present values of the remaining scheduled payments of principal and interest on the Notes then outstanding to be redeemed (not including any portion of such payments of interest accrued as of the redemption date) discounted to the redemption date on a semiannual basis (computed based on a 360-day year consisting of twelve 30-day months) at the Adjusted Treasury Rate, plus 25 basis points (0.25%), as calculated by an Independent Investment Banker,

plus, in both of the above cases, accrued and unpaid interest thereon to the redemption date.

The Company will mail a notice of redemption at least 30 days but no more than 60 days before the redemption date to each holder of Notes to be redeemed. If the Company elects to partially redeem the Notes, the Trustee will select in a fair and appropriate manner the Notes to be redeemed.

Unless the Company defaults in payment of the redemption price, on and after the redemption date, interest will cease to accrue on the Notes or portions thereof called for redemption.

The Notes are not entitled to the benefit of any sinking fund or analogous provision.

TRANSFER OR EXCHANGE

As provided in the Indenture and subject to certain limitations therein set forth, the transfer of this Note is registerable in the Security Register, upon surrender of this Note for registration of transfer at the office or agency of the Company in any place where the principal of (and premium, if any) and interest on this Note are payable, duly endorsed by, or accompanied by a written instrument of transfer in form satisfactory to the Company and the Security Registrar duly executed by, the Holder hereof or his attorney duly authorized in writing, and thereupon one or more new Notes of this series and of like tenor, of authorized denominations and for the same aggregate principal amount, will be issued to the designated transferee or transferees.

The Notes are issuable only in registered form without coupons and, except for such Notes issued in book-entry form, only in denominations of $1,000 and any integral multiple of $1,000. As provided in the Indenture and subject to certain limitations therein set forth, this

Note is exchangeable for a like aggregate principal amount of Notes of this series and of like tenor of a different authorized denomination, as requested by the Holder surrendering the same.

No service charge shall be made for any such registration of transfer or exchange, but the Company may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

Prior to due presentment of this Note for registration of transfer, the Company or the Trustee and any agent of the Company or the Trustee may treat the Person in whose name this Note is registered as the owner hereof for all purposes, whether or not this Note be overdue, and neither the Company, the Trustee nor any such agent shall be affected by notice to the contrary.

OTHER PROVISIONS

The Indenture permits, with certain exceptions as therein provided, the amendment thereof and the modification of the rights and obligations of the Company and the rights of the Holders of the Securities of each series to be affected under the Indenture at any time by the Company and the Trustee with the consent of the Holders of a majority in principal amount of the Securities at the time Outstanding of each series to be affected and of the Holders of 66 2/3% in principal amount of the Securities at the time Outstanding of all series to be affected. The Indenture also contains provisions permitting the Holders of specified percentages in principal amount of the Securities of each series at the time Outstanding, on behalf of the Holders of all Securities of such series, to waive compliance by the Company with certain provisions of the Indenture and certain past defaults under the Indenture and their consequences. To the extent permitted by law, any such consent or waiver by the Holder of this Note shall be conclusive and binding upon such Holder and upon all future Holders of this Note and of any Note issued upon the registration of transfer hereof or in exchange hereof or in lieu hereof, whether or not notation of such consent or waiver is made upon this Note.

No reference herein to the Indenture and no provision of this Note or of the Indenture shall alter or impair the obligation of the Company, which is absolute and unconditional, to pay the principal of (and premium, if any) and interest on this Note at the times, place and rate, and in the coin or currency, herein prescribed.

All terms used in this Note which are defined in the Indenture shall have the meanings assigned to them in the Indenture.

This Note shall be governed by and construed in accordance with the

laws of The State of New York.

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ABBREVIATIONS

The following abbreviations, when used in the inscription on the face of this instrument, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM -- as tenants in common UNIF GIFT MIN ACT--_____ CUSTODIAN_____
TEN ENT -- as tenants by the entireties (Cust) (Minor)
JT TEN -- as joint tenants with right of survivorship Under Uniform Gifts to Minors Act and not as tenants in common _____
(State)

Additional abbreviations may also be used though not in the above list.

FOR VALUE RECEIVED, the undersigned hereby sell(s), assign(s) and transfer(s) unto

Please Insert Social Security or
Other Identifying Number of Assignee

PLEASE PRINT OR TYPEWRITE NAME AND ADDRESS INCLUDING POSTAL ZIP CODE OF ASSIGNEE

---

the within Security of TAMPA ELECTRIC COMPANY and does hereby irrevocably

constitute and appoint _____

attorney to transfer said Security on the books of the Company, with full

power of substitution in the premises.

Dated:
---------- ----------

NOTICE: The signature to this assignment must correspond with the name as written upon the face of the within instrument in every particular, without alteration or enlargement or any change whatsoever.

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