

State of Florida



ORIGINAL

Public Service Commission

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TALLAHASSEE, FLORIDA 32399-0850

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COMMISSION CLERK

DATE: August 2, 2004
TO: All Parties of Record
FROM: Adrienne Vining - Economic Regulation Section - Office of the General Counsel **AEV**
RE: Docket No. 040001-EI - Fuel and Purchased Power Cost Recovery Clause and
Generating Performance Incentive Factor.

VIA ELECTRONIC MAIL

Please note that the Commission Staff will conduct an informal status meeting with Tampa Electric Company (TECO) in the above-referenced docket at the following time and place:

10:00 a.m., Monday, August 23, 2004
Florida Public Service Commission
Room 362, Gerald L. Gunter Building
2540 Shumard Oak Blvd.
Tallahassee, Florida

The purpose of this meeting is to conduct a review of various topics that impact or may impact TECO's fuel revenues and costs. Attached is a draft meeting agenda to allow parties the opportunity to review and provide input to the agenda. After receiving feedback from the parties, staff will prepare and distribute the final meeting agenda at least seven days prior to the meeting.

This meeting will be the third of the periodic status meetings to be conducted with Tampa Electric Company in 2004 pursuant to the arrangements discussed at the January 22, 2004, meeting between staff and all the parties. Parties wishing to participate by phone should call **(850) 245 5725** or **Suncom 205-5725** at the start time for this meeting.

CMP _____
COM _____
CTR _____ If you have any questions concerning this meeting, please call me at (850) 413-6183.

ECR _____

GCL _____
AEV/jb

OPC _____

MMS _____ cc: Division of Economic Regulation
Division of Regulatory Compliance and Consumer Assistance

RCA _____ Division of the Commission Clerk and Administrative Services (Docket File)

SCR _____ I:\040001\040001m3teco.aev.doc

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FPSC-COMMISSION CLERK

Draft Agenda for Tampa Electric Company's 3rd Quarter Meeting
Docket No. 040001-EI
August 23, 2004

For purposes of discussion, staff will accept data provided in TECO's A-schedules for April through June 2004 as filed. Unless otherwise noted, time period for the these questions is April, May, and June 2004. Please respond to the following:

1. What date did TECO experience its firm peak demand? What was the level of TECO's firm peak demand on that date?
 - A. On that date, how much energy did TECO produce from its own generation resources?
 - B. On that date, how much firm energy did TECO purchase on the wholesale energy market?
 - C. On that date, how much non-firm energy did TECO purchase on the wholesale energy market?
 - D. On that date, how much firm energy did TECO sell on the wholesale energy market?
 - E. On that date, how much non-firm energy did TECO sell on the wholesale energy market?
 - F. On that date, what level of planned outages did TECO experience?
 - G. On that date, what level of unplanned outages did TECO experience?

2. What date did TECO experience its highest level of system net generation? What was the level of system net generation on that date?
 - A. On that date, how much firm energy did TECO purchase on the wholesale energy market?
 - B. On that date, how much non-firm energy did TECO purchase on the wholesale energy market?
 - C. On that date, how much firm energy did TECO sell on the wholesale energy market?
 - D. On that date, how much non-firm energy did TECO sell on the wholesale energy market?

- E. On that date, what level of planned outages did TECO experience?
 - F. On that date, what level of unplanned outages did TECO experience?
3. What date did TECO experience its highest level of wholesale energy purchases (firm and non-firm)? What was the level of wholesale energy purchases on that date?
- A. On that date, how much energy did TECO produce from its own generation resources?
 - B. On that date, how much firm energy did TECO sell on the wholesale energy market?
 - C. On that date, how much non-firm energy did TECO sell on the wholesale energy market?
 - D. On that date, what level of planned outages did TECO experience?
 - E. On that date, what level of unplanned outages did TECO experience?
4. What date did TECO experience its highest level of wholesale energy sales (firm and non-firm)? What was the level of TECO 's wholesale energy sales on that date?
- A. On that date, how much energy did TECO produce from its own generation resources?
 - B. On that date, how much firm energy did TECO purchase on the wholesale energy market?
 - C. On that date, how much non-firm energy did TECO purchase on the wholesale energy market?
 - D. On that date, what level of planned outages did TECO experience?
 - E. On that date, what level of unplanned outages did TECO experience?
5. What date did TECO experience its highest level of outages (planned and unplanned)? What was the level of TECO 's outages on that date?
- A. On that date, how much energy did TECO produce from its own generation resources?
 - B. On that date, how much firm energy did TECO purchase on the wholesale energy market?

- C. On that date, how much non-firm energy did TECO purchase on the wholesale energy market?
 - D. On that date, how much firm energy did TECO sell on the wholesale energy market?
 - E. On that date, how much non-firm energy did TECO sell on the wholesale energy market?
6. What date did TECO experience its lowest level of coal inventory? What was the level of TECO's coal inventory on that date?
- A. From that date until TECO received its next coal shipment, how much energy did TECO generate per day from its own resources?
 - B. From that date until TECO received its next coal shipment, how much firm energy did TECO purchase on the wholesale energy market?
 - C. On that date until TECO received its next coal shipment, how much non-firm energy did TECO purchase on the wholesale energy market?
 - D. On that date until TECO received its next coal shipment, how much firm energy did TECO sell on the wholesale energy market?
 - E. On that date until TECO received its next coal shipment, how much non-firm energy did TECO sell on the wholesale energy market?
7. On how many instances did weather conditions delay the delivery of coal shipments to TECO? Please provide details for each instance.
8. At the July 29, 2004, conference call regarding 2004 2nd Quarter earnings, TECO Energy's senior management indicated that the Mississippi River was closed for barge traffic for a five day period earlier this year. When did this event occur? What impact did this event have on the delivery of Tampa Electric's coal to the TECO Bulk Terminal?
9. Page 18 of TECO Energy's 2003 Annual Report states that Tampa Electric will spend \$174 million in 2004 in capital expenditures to support system growth and generation reliability. How much of the \$174 million is dedicated to maintaining and improving Tampa Electric's existing generation units?
10. Please respond to the following questions regarding capital expenditures:
- A. What is the budgeted amount for capital expenditures in 2005 for maintaining and improving Tampa Electric's existing generation units?

- B. What is the process that Tampa Electric follows when deciding which capital projects will be funded?
 - C. What criteria must a proposed capital project meet before Tampa Electric will finance the project?
 - D. When evaluating a proposed capital project, does Tampa Electric consider base rate cash flows equal to cost recovery clause cash flows?
11. What planning documents does Tampa Electric prepare on plant-level operations on a month-ahead or year-ahead basis?
 12. Why did Tampa Electric incur an as-burned natural gas cost of \$8.11/MCF in June 2004 compared with Tampa Electric's estimated as-burned natural gas cost of \$6.01/MCF and FPL's actual as-burned natural gas cost of \$6.65/MCF for the same month?
 13. What impact would an average as-burned natural gas cost of \$8.00/MCF through 2005 have on Tampa Electric's 2005 levelized fuel factor?
 14. What impact would a \$50 per barrel world oil price through 2005 have on Tampa Electric's 2005 levelized fuel factor?
 15. Intervening parties' comments.
 16. What's next?