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June 30, 2006

HAND DELIVERED

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

Re: Tampa Electric Company Non-Firm Electric Service – 2006 Assessment of Need

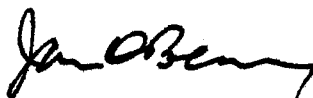
Dear Ms. Bayo:

In accordance with Rule 25-6.0438, Florida Administrative Code regarding non-firm electric service, enclosed are the original and fifteen (15) copies of Tampa Electric Company's July 1, 2006 revision to its January 1, 2006 assessment of need for additional interruptible load during calendar year 2006.

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

JDB/pp  
Enclosure

DOCUMENT NUMBER-DATE

05855 JUN 30 06

FPSC-COMMISSION CLERK

**TAMPA ELECTRIC COMPANY  
NON-FIRM ELECTRIC SERVICE  
2006 ASSESSMENT OF NEED**

In accordance with Tampa Electric Company's Rate Schedule GSLM-2, the following is the July 1, 2006 revision to the January 1, 2006 assessment of need for additional interruptible load during calendar year 2006.

1. Tampa Electric Company's tariff requires that the Company complete an assessment twice each year by January 1 and July 1 regarding the need for additional non-firm electric service during the following calendar year. The Company's tariff provision regarding assessment of need was approved on December 4, 1985. Subsequent to that date, the Commission adopted Florida Administrative Code Rule 25-6.0438 to define the character and various types of non-firm electric service to require a procedure for determining a utility's maximum level of non-firm load; and to establish other minimum terms and conditions for the provision of non-firm electric service.
2. Tampa Electric submitted a revised assessment of need procedure in Docket No. 870408-EI, which takes into account the various provisions of Rule 25-6.0438. The Commission approved the Company's proposal in November 1989.
3. Tampa Electric submits that its current assessment of need procedure in Docket No. 870408-EI, in addition to accomplishing the same intent as the procedure approved in Docket No. 850050-EI, Order No. 15451, fully comports with the Commission's intent expressed in Rule 25-6.0438. Moreover, the revised assessment used the assumptions and planning criteria in place for Tampa Electric's 2005 Customer, Demand & Energy Forecast and the Generation, Fuel, & Interchange Forecast adjusted for wholesale sales. Under the application of the methodology described in Docket No. 870408-EI, non-firm load under Rate Schedule GSLM-2 will have 77.6 MW of non-firm service during 2006.
4. The estimated levels of non-firm load on the Tampa Electric system for the month of July, 2006 are as follows:

Load Management	220.0 MW
GSLM 2	77.6 MW
Interruptible Load	<u>171.0 MW</u>
 TOTAL:	 468.6 MW

5. Attached hereto is a document entitled *Target Interruptible Load Worksheet* which was developed based on Tampa Electric's proposal in Docket No. 870408-EI. As this document indicates, 77.6 MW of non-firm electric service in the form of interruptible load can be offered during 2006.

## TARGET INTERRUPTIBLE LOAD WORKSHEET

1.	TARGET INTERRUPTIBLE BEGINNING FOR	2006		171	MW
2.	TARGET INTERRUPTIBLE FOR THE YEAR	2010		481	MW
3.	ANNUAL INTERRUPTIBLE INCREMENT	481	-	171	77.6 MW
		(Over	4	Years)	
4.	TARGET INTERRUPTIBLE ENDING FOR	2010		481	MW

**TARGET INTERRUPTIBLE LOAD WORKSHEET  
FIRM LOAD RESERVE MARGIN WORKSHEET  
(WITH COMMITTED CAPACITY ONLY)**

(1)	(2)	(3)	(4)	(5)	(6)	
YEAR	TOTAL INSTALLED CAPACITY (MW)	FIRM CAPACITY INTERCHANGE (MW)	COGENERATION (MW)	TOTAL CAPACITY (MW)	FIRM LOAD ANNUAL PEAK DEMAND (MW)	RESERVE MARGIN (%)
2006	4,383	651	62	5,096	4,199	21
2007	4,743	841	62	5,646	4,340	30
2008	5,131	611	62	5,804	4,470	30
2009	5,325	611	62	5,998	4,601	30
2010	5,325	611	39	5,975	4,732	26

Column (1)

Total installed capacity includes committed capacity and scheduled maintenance.

Column (2)

Firm capacity interchange is the net of capacity import and exports. Capacity imports for 2005 through 2009 includes a firm purchase power agreement with Invenergy of 441 MW. Capacity imports also include unspecified purchased power needed for the installation of the Selective Catalytic Reduction (SCR) equipment on Big Bend unit 3, of 230 MW in 2008. The SCR installations are part of the Consent Decree between Tampa Electric and the U.S. Environmental Protection Agency. Capacity imports also includes a 50MW purchase from Progress Energy (1/1/2006 - 3/31/2007) and a 170MW purchase from Calpine (5/1/2006 - 4/30/2011). Tampa Electric firm sales agreement to New Smyrna Beach of 10 MW for January 2006 through December 31, 2007.

Column (3)

The cogeneration column accounts for cogeneration that will be purchased under firm contracts.

Column (5)

The firm load annual peak demand is firm system peak demand. Firm system peak demand includes firm retail and firm wholesale demand (PR, etc.). Firm demand values are based on the current load forecast.

## TARGET INTERRUPTIBLE LOAD WORKSHEET

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
YEAR	FIRM LOAD ANNUAL PEAK DEMAND (MW)	INTER- RUPTIBLE LOAD (MW)	LOAD MANAGE- MENT (MW)	TARGET NON-FIRM LOAD (MW)	ADJUSTED FIRM LOAD (MW)	ADJUSTED FIRM RESERVE (%)	TARGET INTER- RUPTIBLE (MW)	INCREMENTAL INTER- RUPTIBLE AVAILABLE (MW)
2006	4,199	171	220				171	77.6
2007	4,340	171	212				249	77.6
2008	4,470	171	209				326	77.6
2009	4,601	150	207				404	77.6
2010	4,732	150	206	687	4,401	36	481	

Column (2) The firm load annual peak demand is firm system peak demand. Firm system peak demand contains firm retail and firm wholesale demand. Firm demand values are based on the current load forecast.

Column (7) The adjusted firm reserve is a winter firm peak reserve margin.