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September 1, 2006

HAND DELIVERED

RECEIVED-FPSC
06 SEP -1 PM 3:23
COMMISSION CLERK

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

Re: Fuel and Purchased Power Cost Recovery Clause with Generating Performance
Incentive Factor; FPSC Docket No. 060001-EI

Dear Ms. Bayo:

Enclosed for filing in the above docket on behalf of Tampa Electric Company are the
original and fifteen (15) copies of each of the following:

- CMP
COM 5
CTR original
ECR
GCL 1
OPC
RCA
SCR
SGA
SEC 1
OTH
1. Petition of Tampa Electric Company. 08063-06
2. Prepared Direct Testimony and Exhibit (CA-3) of Carlos Aldazabal. 08072-06
3. Prepared Direct Testimony and Exhibit (WAS-1) of William A. Smotherman. 08073-06
4. Prepared Direct Testimony of Benjamin F. Smith. 08075-06
5. Prepared Direct Testimony and Exhibit (JTW-2) of Joann T. Wehle. 08074-06

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

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

JDB/pp
Enclosures

cc: All Parties of Record (w/encls.)

DOCUMENT NUMBER DATE
08063 SEP-1 06
FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Fuel and Purchased Power Cost Recovery)
Clause with Generating Performance Incentive)
Factor.)
_____)

DOCKET NO. 060001-EI
FILED: September 1, 2006

PETITION OF TAMPA ELECTRIC COMPANY

Tampa Electric Company ("Tampa Electric" or "company"), hereby petitions the Commission for approval of the company's proposals concerning fuel and purchased power factors, capacity cost factors, generating performance incentive factors, and the projected wholesale sales incentive benchmark set forth herein, and in support thereof, says:

Fuel and Purchased Power Factors

1. Tampa Electric projects a fuel and purchased power net true-up amount for the period January 1, 2006 through December 31, 2006 will be an under-recovery of \$157,776,979 (See Exhibit CA-3, Document No. 2, Schedule E1-C).

2. The company's projected expenditures for the period January 1, 2007 through December 31, 2007, when adjusted for the proposed GPIF penalty and true-up under-recovery amount and spread over projected kilowatt-hour sales for the period January 1, 2007 through December 31, 2007, produce a fuel and purchased power factor for the new period of 5.897 cents per kWh before application of the factors which adjust for variations in line losses. (See Exhibit CA-3, Document No. 2, Schedule E1).

3. The company's projected benchmark level for calendar year 2007 for gains on non-separated wholesale energy sales eligible for the shareholder incentive as set forth by Order

DOCUMENT NUMBER-DATE

08063 SEP-18

FPSC-COMMISSION CLERK

No. PSC-00-1744-PAA-EI, in Docket No. 991779 is \$1,165,220, as provided in the direct testimony of Tampa Electric witness Carlos Aldazabal.

Capacity Cost Factor

4. Tampa Electric estimates that its net true-up amount applicable for the period January 1, 2006 through December 31, 2006 will be an under-recovery of \$960,951, as shown in Exhibit CA-3, Document No. 1, page 3 of 5.

5. The company's projected expenditures for the period January 1, 2007 through December 31, 2007, when adjusted for the true-up under-recovery amount and spread over projected kilowatt-hour sales for the new period January 1, 2007 through December 31, 2007 produce a capacity cost recovery factor for the period of 0.271 cents per kWh before applying the 12 CP and 1/13 allocation methodology. This will produce the capacity cost recovery factors by rate schedule as set forth in Exhibit CA-3, Document No. 1, page 4 of 5.

GPIF

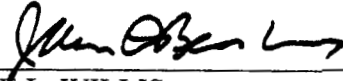
6. Tampa Electric has calculated that it is subject to a GPIF penalty of \$99,791 for performance experienced during the period January 1, 2005 through December 31, 2005.

7. The company is also proposing GPIF targets and ranges for the period January 1, 2007 through December 31, 2007 with such proposed targets and ranges being detailed in the testimony and exhibits of Tampa Electric witness William A. Smotherman filed herewith.

WHEREFORE, Tampa Electric Company requests that its proposals relative to fuel and purchased power cost recovery, capacity cost recovery and GPIF be approved as they relate to prior period true-up calculations and projected cost recovery charges, and that the Commission approve the company's projected wholesale sales incentive benchmark.

DATED this 15th day of September 2006.

Respectfully submitted,



LEE L. WILLIS
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ATTORNEYS FOR TAMPA ELECTRIC COMPANY

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true copy of the foregoing Petition, filed on behalf of Tampa Electric Company, has been furnished by U. S. Mail or hand delivery (*) on this 15th day of September, 2006 to the following:

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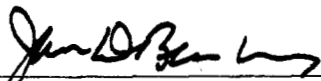
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