ORIGINAL

BEFORE THE PUBLIC SERVICE COMMISSION

In re: Petition for approval of new environmental program for cost recovery through Environmental Cost Recovery Clause | FILED: by Tampa Electric Company.

DOCKET NO. 050958-EI



STAFF'S PREHEARING STATEMENT

Pursuant to Order No. PSC-06-0800-PCO-EI, filed September 25, 2006, the Staff of the Florida Public Service Commission files its Prehearing Statement.

All Known Witnesses a.

None at this time.

All Known Exhibits b.

None at this time.

Staff's Statement of Basic Position c.

Staff's positions are preliminary and based on materials filed by the parties and on discovery. The preliminary positions are offered to assist the parties in preparing for the hearing. Staff's final positions will be based upon all the evidence in the record and may differ from the preliminary positions stated herein.

d. Staff's Position on the Issues

ISSUE 1:

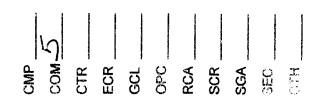
Are the following projects in Tampa Electric Company's Big Bend FGD System Reliability Program costs or expenses incurred by Tampa Electric in complying with environmental laws or regulations and, therefore, entitled to be recovered under the environmental cost recovery clause pursuant to Section 366.8255, Florida Statutes?

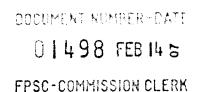
Big Bend Units 1-4 Electric Isolation (a)

POSITION: No position at this time.

Big Bend Units 3-4 Split Inlet Duct and Split Outlet Duct (b)

POSITION: No position at this time.





STAFF'S PREHEARING STATEMENT DOCKET NO. 050958-EI PAGE 2

(c) Gypsum fines filter

POSITION: No position at this time.

ISSUE 2: How should the following remaining projects in Tampa Electric Company's Big Bend FGD System Reliability Program be recovered?

- (a) Big Bend Units 1-4 Mist Eliminator Upgrades
- (b) Big Bend Units 1-4 On-line Mist Eliminator Wash System
- (c) Big Bend Units 1-4 On-line Nozzle Wash System
- (d) Gypsum Filter Vacuum Pump Upgrades
- (e) Big Bend Units 1-2 Gypsum Blow Down Line
- (f) Controls Additions
- (g) Big Bend Units 3-4 FGD Booster Fan Capacity Expansion
- (h) Big Bend Units 1-2 Recycle Pump Discharge Isolation Bladders
- (i) Big Bend Units 1-2 Inlet Duct C-276 Wallpaper

POSITION:

The costs of the projects listed under this Issue 2 should be recovered through the Big Bend FGD System Reliability (New) ECRC Program, the Big Bend Units 1 and 2 FGD (Existing) ECRC Program and through base rates, allocated among the three methods of recovery in the manner shown in the chart entitled "Big Bend Flue Gas Desulfurization System Reliability Program Recovery of Expenditures-Revised" filed on March 16, 2006 by Tampa Electric, a copy of which is attached hereto and by reference made a part hereof.

e. <u>Pending Motions</u>

None

STAFF'S PREHEARING STATEMENT DOCKET NO. 050958-EI PAGE 3

f. Pending Confidentiality Claims or Requests

None

g. Compliance with Order No.PSC-06-0800-PCO-EI

Staff has complied with all requirements of the Order Establishing Procedure entered in this docket.

Martha C. Brown Senior Attorney

FLORIDA PUBLIC SERVICE COMMISSION

Gerald L. Gunter Building 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0863 Telephone: (850) 413-6187

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition for approval of new environmental program for cost recovery through Environmental Cost Recovery Clause by Tampa Electric Company. DOCKET NO. 050958-EI

FILED:

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of STAFF'S PREHEARING STATEMENT was furnished to the following, by U.S. Mail and Electronic Mail, on this 14th day of February, 2007:

Lee L. Willis, Esq. James D. Beasley, Esq. P. O. Box 391 Tallahassee, FL 32302 Harold McLean, Esq.
Patricia Christensen, Esq.
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400

Martha C. Brown

Senior Attorney

FLORIDA PUBLIC SERVICE COMMISSION

Gerald L. Gunter Building 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850 Telephone No. (850) 413-6187

Partle C. Brown