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February 14, 2007

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

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COMMISSION
CLERK

Re: Petition for approval of new environmental program for cost recovery
through Environmental Cost Recovery Clause by Tampa Electric Company;
Docket No. 050958-EI

Dear Ms. Bayo:

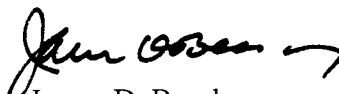
Enclosed for filing in the above docket are the original and fifteen (15) copies of Tampa
Electric Company's Prehearing Statement.

Also enclosed is a CD containing the above Prehearing Statement using Word 2003 as the
word processing software, and Windows XP as the operating system.

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

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

RECEIVED & FILED


FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER - DATE

01519 FEB 14 06

FPSC-COMMISSION CLERK

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- SCR _____
- SGA _____
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- OTH _____

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: February 14, 2007

TAMPA ELECTRIC COMPANY'S PREHEARING STATEMENT

A. APPEARANCES:

LEE L. WILLIS
JAMES D. BEASLEY
Ausley & McMullen
Post Office Box 391
Tallahassee, Florida 32302
On behalf of Tampa Electric Company

B. WITNESSES:

(Direct)

Table with 4 columns: Witness, Subject Matter, Issues. Contains two entries for witnesses Howard T. Bryant and Gregory M. Nelson.

1 Tampa Electric witness Laura R. Crouch will adopt the testimony submitted by Mr. Nelson.

- | | | | |
|----|-----------------------------|---|------|
| 3. | John V. Smolenski
(TECO) | Support of ECRC Recovery of FGD Reliability Program; description of each Component of the Program and Methodology Employed to Determine Cost Effectiveness; Timing of the FGD Reliability Program with SCR Installation | 1, 2 |
| | (Rebuttal) | | |
| 4. | Howart T. Bryant
(TECO) | Rebuttal of Witness Patricia W. Merchant | 1, 2 |
| 5. | Laura R. Crouch
(TECO) | Rebuttal of Witness Thomas A. Hewson, Jr. | 1, 2 |
| 6. | John V. Smolenski
(TECO) | Rebuttal of Witnesses John B. Stamberg and Thomas A. Hewson, Jr. | 1, 2 |

C. EXHIBITS:

<u>Exhibit</u>	<u>Witness</u>	<u>Description</u>
1. _____ (GMN-1)	Nelson ²	Portions of Consent Decree and Declaratory Letter to EPA
2. _____ (JVS-1)	Smolenski	Big Bend Station FGD Station Reliability Study
3. _____ (JVS-2)	Smolenski	Rebuttal Documents of John V. Smolenski

D. STATEMENT OF BASIC POSITION

Tampa Electric Company's Statement of Basic Position

The Commission should approve each of the thirteen projects that make up the Tampa Electric Company FGD System Reliability Program for recovery in the manner described in Tampa Electric's positions on Issues 1 and 2 of this Prehearing Statement.

² This exhibit will be adopted by Tampa Electric witness Laura R. Crouch.

E. STATEMENT OF ISSUES AND POSITIONS

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?

- (a) Big Bend Units 1-4 Electric Isolation
- (b) Big Bend Units 3-4 Split Inlet Duct and Split Outlet Duct
- (c) Gypsum Fines Filter

TECO: Yes. Each of the projects listed under subissues (a) (b) and (c) of Issue 1 is necessary to comply with environmental laws and regulations and therefore are entitled to be recovered through the Environmental Cost Recovery Clause pursuant to Section 366.8255, Florida Statutes. (Witnesses: Bryant; Nelson (adopted by Crouch); Crouch and Smolenski)

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

TECO: 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. (Witnesses: Bryant; Nelson (adopted by Crouch); Crouch and Smolenski)

F. STIPULATED ISSUES

TECO: None at this time.

G. MOTIONS

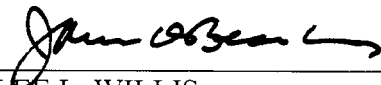
TECO: None at this time.

H. OTHER MATTERS

TECO: None at this time.

DATED this 14th day of February, 2007.

Respectfully submitted,



LEE L. WILLIS
JAMES D. BEASLEY
Ausley & McMullen
Post Office Box 391
Tallahassee, Florida 32302
(850) 224-9115

ATTORNEYS FOR TAMPA ELECTRIC COMPANY


CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing Prehearing Statement, filed on behalf of Tampa Electric Company, has been furnished by U. S. Mail or hand delivery (*) on this 14th day of February, 2007 to the following:

Martha Carter Brown*
Office of General Counsel
Florida Public Service Commission
Room 370N – Gerald L. Gunter Building
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Ms. Patricia A. Christensen*
Associate Public Counsel
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400

Mr. Myron Rollins
Black & Veatch Corporation
11401 Lamar Avenue
Overland Park, KS 66211



ATTORNEY

**Big Bend Flue Gas Desulfurization System Reliability Program
Recovery of Expenditures - Revised**

<u>Projects</u>	<u>Big Bend FGD System Reliability (New ECRC Program)</u>	<u>Big Bend Units 1&2 FGD (Existing Program)</u>	<u>Base Rates</u>
Big Bend Units 3-4 Split Inlet Duct	\$ 116,000		
Big Bend Units 3-4 Split Outlet Duct	4,829,000		
Big Bend Units 1-4 Mist Eliminator Upgrades		\$1,810,000	\$777,000
Big Bend Units 1-4 On-line Mist Eliminator Wash System	334,500	334,500	
Big Bend Units 1-4 On-line Nozzle Wash System	280,500	280,500	
Gypsum Finus Filter	2,866,000		
Gypsum Filter Vacuum Pump Upgrades		623,000	
Big Bend Units 1-4 Electric Isolation	3,300,000	3,300,000	
Big Bend Units 1-2 Gypsum Blow Down Line		284,000	
Controls Additions	203,000	203,000	
Big Bend Units 3-4 FGD Booster Fan Capacity Expansion			1,849,000
Big Bend Units 1-2 Recycle Pump Discharge Isolation Bladders		227,000	
Big Bend Units 1-2 Inlet Duct C-2/76 Wallpaper		234,000	
Total:	\$11,929,000	\$7,096,000	\$2,626,000