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September 2, 2008

HAND DELIVERED

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COMMISSION
CLERK

Ms. Ann Cole, Director
Office of Commission Clerk
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. 080001-EI

Dear Ms. Cole:

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:

- 1. Petition of Tampa Electric Company. 08015-08
- 2. Prepared Direct Testimony and Exhibit (CA-3) of Carlos Aldazabal. 08016-08
- 3. Prepared Direct Testimony and Exhibit (BSB-1) of Brian S. Buckley. 08017-08
- 4. Prepared Direct Testimony of Benjamin F. Smith. 08018-08
- 5. Prepared Direct Testimony and Exhibit (JTW-2) of Joann T. Wehle. 08019-08

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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
Enclosures

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

DOCUMENT NUMBER-DATE

08015 SEP-2 8

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. 080001-EI
FILED: September 2, 2008

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, 2008 through December 31, 2008 will be an under-recovery of \$208,773,232 (See Exhibit No. ____ (CA-3), Document No. 2, Schedule E1-C).

2. The company’s projected expenditures for the period January 1, 2009 through December 31, 2009, when adjusted for the proposed GPIF penalty and true-up over-recovery amount and spread over projected kilowatt-hour sales for the period January 1, 2009 through December 31, 2009, produce a fuel and purchased power factor for the new period of 7.822 cents per kWh before the application of time of use multipliers for on-peak or off-peak usage. (See Exhibit No. ____ (CA-3), Document No. 2, Schedule E1-E).

3. The company’s projected benchmark level for calendar year 2009 for gains on non-separated wholesale energy sales eligible for the shareholder incentive as set forth by Order

DOCUMENT NUMBER-DATE

08015 SEP-2 8

FPSC-COMMISSION CLERK

No. PSC-00-1744-PAA-EI, in Docket No. 991779 is \$816,969, 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, 2008 through December 31, 2008 will be an under-recovery of \$19,828,942, as shown in Exhibit No. ____ (CA-3), Document No. 1, page 3 of 8.

5. As described in the direct testimony of Carlos Aldazabal submitted concurrently in this docket, the company's proposed capacity factor is shown separately for January through April 2009 and May through December 2009 to reflect the rate modifications proposed in Docket No. 080317-EI. The company's projected expenditures for the period January 1, 2009 through April 30, 2009, when adjusted for the true-up under-recovery amount and spread over projected kilowatt-hour sales for the new period January 1, 2009 through April 30, 2009, produce a capacity cost recovery factor for the period of 0.467 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 No. ____ (CA-3), Document No. 1, page 4 of 8.

6. The company's projected expenditures for the period May 1, 2009 through December 31, 2009, when adjusted for the true-up under-recovery amount and spread over projected kilowatt-hour sales for the new period May 1, 2009 through December 31, 2009, produce a capacity cost recovery factor for the period of 0.469 cents per kWh before applying the proposed 12 CP and 25 percent average demand allocation methodology as described in the direct testimony of William R. Ashburn submitted in Docket No. 080317-EI. For demand-measured customers, the factor Tampa Electric proposes to recover is \$1.73 per billed kW. This

will produce the capacity cost recovery factors by rate schedule as set forth in Exhibit ____ (CA-3), Document No. 1, page 7 of 8.

GPIF

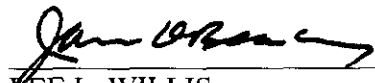
7. Tampa Electric has calculated that it is subject to a GPIF penalty of \$849,634 for performance experienced during the period January 1, 2007 through December 31, 2007.

8. The company is also proposing GPIF targets and ranges for the period January 1, 2009 through December 31, 2009 with such proposed targets and ranges being detailed in the testimony and exhibits of Tampa Electric witness Brian S. Buckley 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 2nd day of September 2008.

Respectfully submitted,



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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 2nd day of September, 2008 to the following:

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