

AUSLEY & MCMULLEN

ATTORNEYS AND COUNSELORS AT LAW

123 SOUTH CALHOUN STREET
P.O. BOX 391 (ZIP 32302)
TALLAHASSEE, FLORIDA 32301
(850) 224-9115 FAX (850) 222-7560

RECEIVED-FPSC

10 OCT -1 AM 10:56

COMMISSION
CLERK

October 1, 2010

HAND DELIVERED

Ms. Ann Cole, Director
Division of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

Re: Environmental Cost Recovery Clause
FPSC Docket No. 100007-EI

Dear Ms. Cole:


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-referenced Prehearing Statement generated on a Windows 98 operating system and using Word 2000 as the word processing software.

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

COM JDB/pp

APA | Enclosures

ECR | *cc: [initials] containing same also fwd.*

GCL | All Parties of Record (w/enc.)

RAD |

SSC |

ADM |

OPC |

CLK |

DOCUMENT NUMBER-DATE

08230 OCT-1 0

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Environmental Cost)
Recovery Clause.)
_____)

DOCKET NO. 100007-EI
FILED: October 1, 2010

**TAMPA ELECTRIC COMPANY'S
PREHEARING STATEMENT**

A. APPEARANCES:

JAMES D. BEASLEY
J. JEFFRY WAHLEN
Ausley & McMullen
Post Office Box 391
Tallahassee, Florida 32302

On behalf of Tampa Electric Company

B. WITNESSES:

<u>Witness</u>	<u>Subject Matter</u>	<u>Issues</u>
(Direct)		
1. Howard T. Bryant (TECO)	Final true-up for period ending December 31, 2009, estimated true-up for period January 2010 through December 2010; projections for period January 2011 through December 2011	1, 2, 3, 4, 5, 6, 7, 8
2. Paul L. Carpinone (TECO)	Qualification of environmental activities for ECRC recovery	3

DOCUMENT NUMBER-DATE

08230 OCT-1 0

FPSC-COMMISSION CLERK

C. EXHIBITS:

<u>Exhibit</u>	<u>Witness</u>	<u>Description</u>
<u>(HTB-1)</u>	Bryant	Final Environmental Cost Recovery Commission Forms 42-1A through 42-8A for the period January 2009 through December 2009
<u>(HTB-2)</u>	Bryant	Environmental Cost Recovery Commission Forms 42-1E through 42-9E for the Period January 2010 through December 2010
<u>(HTB-3)</u>	Bryant	Forms 42-1P through 42-8P Forms for the January 2011 through December 2011

D. STATEMENT OF BASIC POSITION

Tampa Electric Company's Statement of Basic Position:

The Commission should approve for environmental cost recovery the compliance programs described in the testimony and exhibits of Tampa Electric Witnesses Bryant and Carpinone. The Commission should also approve Tampa Electric's calculation of its environmental cost recovery final true-up for the period January 2009 through December 2009, the actual/estimated environmental cost recovery true-up for the current period January 2010 through December 2010, and the company's projected ECRC revenue requirement and the company's proposed ECRC factors for the period January 2011 through December 2011.

E. STATEMENT OF ISSUES AND POSITIONS

Generic Environmental Cost Recovery Issues

- ISSUE 1:** What are the final environmental cost recovery true-up amounts for the period January 2009 through December 31, 2009?
- TECO:** The appropriate final environmental cost recovery true-up amount for this period is an over-recovery of \$831,312. (Witness: Bryant)
- ISSUE 2:** What are the estimated environmental cost recovery true-up amounts for the period January 2010 through December 2010?

TECO: The estimated environmental cost recovery true-up amount for the period is an over-recovery of \$3,155,800. (Witness: Bryant)

ISSUE 3: What are the projected environmental cost recovery amounts for the period January 2011 through December 2011?

TECO: The appropriate amount of environmental costs projected to be recovered for the period January 2011 through December 2011 is \$80,007,468. (Witnesses: Bryant; Carpinone)

ISSUE 4: What are the environmental cost recovery amounts, including true-up amounts, for the period January 2011 through December 2011?

TECO: The total environmental cost recovery amount, including true-up amounts, for the period January 2011 through December 2011 is \$76,075,090 after the adjustment for taxes. (Witness: Bryant)

ISSUE 5: What depreciation rates should be used to develop the depreciation expense included in the total environmental cost recovery amounts for the period January 2011 through December 2011?

TECO: The depreciation rates used to calculate the depreciation expense shall be the rates that are in effect during the period the allowed capital investment is in service. (Witness: Bryant)

ISSUE 6: What are the appropriate jurisdictional separation factors for the projected period January 2011 through December 2011?

TECO: The demand jurisdictional separation factor is 96.74819 %. The energy jurisdictional separation factors are calculated for each month based on projected retail kWh sales as a percentage of projected total system kWh sales. These are shown on the schedules sponsored by witness Bryant. (Witness: Bryant)

ISSUE 7: What are the appropriate environmental cost recovery factors for the period January 2011 through December 2011, for each rate group?

TECO: The appropriate environmental cost recovery factors are as follows:

<u>Rate Class</u>	<u>Factor at Secondary Voltage (\$/kWh)</u>
RS	0.404
GS, TS	0.403

GSD, SBF

Secondary	0.402
Primary	0.398
Transmission	0.394

IS

Secondary	0.396
Primary	0.392
Transmission	0.388

LS1

0.402

Average Factor

0.403

(Witness: Bryant)

ISSUE 8: What should be the effective date of the environmental cost recovery factors for billing purposes?

TECO: The factors should be effective beginning with the specified environment cost recovery cycle and thereafter for the period January 2011 through December 2011. Billing cycles may start before January 1, 2011, and the last cycle may be read after December 31, 2011, so that each customer is billed for 12 months regardless of when the adjustment factors became effective. (Witness: Bryant)

Company Specific Environmental Cost Recovery Issues

Tampa Electric Company (TECO)

TECO: None at this time.

F. STIPULATED ISSUES

TECO: None at this time.

G. MOTIONS

TECO: None at this time.

H. PENDING REQUEST OR CLAIMS FOR CONFIDENTIALITY


TECO: None at this time.

I. OTHER MATTERS

TECO: None at this time.

DATED this 1st day of October 2010.

Respectfully submitted,



JAMES D. BEASLEY
J. JEFFRY WAHLEN
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 copy of the foregoing Prehearing Statement, filed on behalf of Tampa Electric Company has been furnished by hand delivery (*) or U. S. Mail on this 15th day of October 2010 to the following:

Ms. Martha Carter Brown*
Senior Attorney
Florida Public Service Commission
2540 Shumard Oak Boulevard
Room 301N – Gunter Building
Tallahassee, FL 32399-0850

Ms. Patricia Christensen
Associate Public Counsel
Office of Public Counsel
111 West Madison Street – Room 812
Tallahassee, FL 32399-1400

Mr. John W. McWhirter, Jr.
Post Office Box 3350
Tampa, FL 33601-3350

Ms. Vicki Kaufman
Mr. Jon C Moyle
Keefe Anchors Gordon & Moyle, PA
118 N. Gadsden Street
Tallahassee, FL 32301

Mr. John T. Butler
Mr. Wade Litchfield
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408-0420

Mr. Gary V. Perko
Hopping Green & Sams, P.A.
Post Office Box 6526
Tallahassee, FL 32314


Mr. John T. Burnett
Mr. R. Alexander Glenn
Progress Energy Service Co., LLC
Post Office Box 14042
St. Petersburg, FL 33733

Mr. Paul Lewis, Jr.
Progress Energy Florida, Inc.
106 East College Avenue, Suite 800
Tallahassee, FL 32301-7740

Ms. Susan Ritenour
Secretary and Treasurer
Gulf Power Company
One Energy Place
Pensacola, FL 32520

Mr. Jeffrey A. Stone
Mr. Russell A. Badders
Mr. Steven R. Griffin
Beggs and Lane
Post Office Box 12950
Pensacola, FL 32591-2950

Shayla L. McNeill, Capt, USAF
AFLOA/JACL-ULFSC
139 Barnes Drive, Suite 1
Tyndall AFB, FL 32403-5319



ATTORNEY

h:\jdb\tec\100007 prehearing statement 10-1-10.doc