

## BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Change in Allowance for	)	DOCKET NO. 900072-EI
Funds used During Construction	)	ORDER NO. 24919
(AFUDC) Rates of Tampa Electric	)	ISSUED: 8/16/91
Company, Effective January 1,	)	
1990.	)	
	)	

The following Commissioners participated in the disposition of this matter:

THOMAS M. BEARD, Chairman  
 J. TERRY DEASON  
 BETTY EASLEY  
 MICHAEL MCK. WILSON

NOTICE OF PROPOSED AGENCY ACTION

ORDER APPROVING A REDUCTION IN TAMPA  
 ELECTRIC COMPANY'S AFUDC RATES

BY THE COMMISSION:

NOTICE is hereby given by the Florida Public Service Commission that the action discussed herein is preliminary in nature and will become final unless a person whose interests are adversely affected files a petition for a formal proceeding, pursuant to Rule 25-22.029, Florida Administrative Code.

Tampa Electric Company (TECO) has petitioned for a reduction in its AFUDC (Allowance for Funds Used During Construction) rate from 8.53% to 7.95%. We agree that a reduction in TECO's AFUDC rate is in order, but not to the rate the company requested.

In reviewing TECO's request, our auditors found that the company had established cost rates for long term debt and preferred stock by use of a 13 month average methodology, when our Rule 25-6.0141(2)(b), Florida Administrative Code requires that; "the cost of long term debt and preferred stock shall be based on the end of period cost." When the auditors recalculated the costs for long term debt and preferred stock by the method outlined in the rule, they determined that the new AFUDC rate should be 7.93%, rather than 7.95%. TECO agrees with the auditors' recalculation.

It is therefore

ORDERED by the Florida Public Service Commission that Tampa Electric Company's AFUDC rate shall be reduced to 7.93%, with a monthly compounding rate of .637965%. It is further

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ORDERED that the revised AFUDC rate will be effective as of January 1, 1991. It is further

ORDERED that this Order shall become final unless an appropriate petition for formal proceeding is timely filed herein. It is further

ORDERED that this docket be closed automatically if no protest is timely filed.

By ORDER of the Florida Public Service Commission, this 16th day of AUGUST, 1991.

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 STEVE TRIBBLE, Director  
 Division of Records and Reporting

( S E A L )

MCB:bmi  
 OTECO.mcb

by: Kay Flynn  
 Chief, Bureau of Records

NOTICE OF FURTHER PROCEEDINGS OR JUDICIAL REVIEW

The Florida Public Service Commission is required by Section 120.59(4), Florida Statutes, to notify parties of any administrative hearing or judicial review of Commission orders that is available under Sections 120.57 or 120.68, Florida Statutes, as well as the procedures and time limits that apply. This notice should not be construed to mean all requests for an administrative hearing or judicial review will be granted or result in the relief sought.

The action proposed herein is preliminary in nature and will not become effective or final, except as provided by Rule 25-22.029, Florida Administrative Code. Any person whose substantial interests are affected by the action proposed by this order may file a petition for a formal proceeding, as provided by Rule 25-22.029(4), Florida Administrative Code, in the form provided by Rule 25-22.036(7)(a) and (f), Florida Administrative Code. This petition must be received by the Director, Division of Records and Reporting at his office at 101 East Gaines Street, Tallahassee, Florida 32399-0870, by the close of business on 9/6/91.

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In the absence of such a petition, this order shall become effective on the day subsequent to the above date as provided by Rule 25-22.029(6), Florida Administrative Code.

Any objection or protest filed in this docket before the issuance date of this order is considered abandoned unless it satisfies the foregoing conditions and is renewed within the specified protest period.

If this order becomes final and effective on the date described above, any party adversely affected may request judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or by the First District Court of Appeal in the case of a water or sewer utility by filing a notice of appeal with the Director, Division of Records and Reporting and filing a copy of the notice of appeal and the filing fee with the appropriate court. This filing must be completed within thirty (30) days of the effective date of this order, pursuant to Rule 9.110, Florida Rules of Appellate Procedure. The notice of appeal must be in the form specified in Rule 9.900(a), Florida Rules of Appellate Procedure.