

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition to close) DOCKET NO. 931218-EQ
standard offer contract for) ORDER NO. PSC-94-1009-FOF-EQ
purchase of firm capacity and) ISSUED: August 22, 1994
energy from small qualifying)
facilities or solid waste)
facilities By TAMPA ELECTRIC)
COMPANY)
_____)

The following Commissioners participated in the disposition of this matter:

J. TERRY DEASON, Chairman
SUSAN F. CLARK
DIANE K. KIESLING

NOTICE OF PROPOSED AGENCY ACTION
ORDER GRANTING PETITION TO CLOSE STANDARD OFFER CONTRACT

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 substantially affected files a petition for formal proceeding pursuant to Rule 25-22.029, Florida Administrative Code.

On November 19, 1992 in Docket No. 920137-EQ, Order No. PSC-92-1285-FOF-EQ, this Commission approved a 1999 Combustion Turbine (CT) as TECO's avoided unit. On December 20, 1993, TECO filed this petition to close this standard offer.

TECO stated that it had reassessed it's need for additional generating capacity and had determined that its standard offer contract based upon a 1999 avoided unit was no longer a prudent cost-effective alternative. TECO went on to say that it would file an additional petition seeking approval of TECO's new standard offer which would be supported by TECO's most current generation expansion plan. On January 26, 1994 in Docket No. 940094-EQ TECO filed a petition to open a new standard offer based on a 2001 CT as the avoided unit.

Since the petition to close the standard offer in Docket 931218-EQ and the petition to open the standard offer in Docket

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940094-EQ were submitted without any supporting documentation, staff submitted Interrogatories and Data Requests to TECO in Docket 940094-EQ on February 7, 1994 in order to determine whether we should recommend accepting the petition to close a standard offer. TECO submitted its answers to those Interrogatories and Data Requests on March 8, 1994.

As a result of reviewing those responses, we believe there are two reasons for closing the standard offer: (1) decreased projected system firm demand and energy requirements, and (2) a net increase in available resources from other utilities through the Florida transmission grid. The decrease in projected demand and energy requirements are due to updated load forecasts and results in a one-year deferral of the 1999 combustion turbine to the year 2000.

An additional year of deferral was possible due to the relatively low assisted loss of load probability (0.04 days/year) for the year 2000 due to an increase in the import capability potential from the other utilities in peninsular Florida. TECO utilizes an assisted Loss of Load Probability (LOLP) of 0.1 days per year as one of its planning criteria. For these reasons, we find that Tampa Electric Company's (TECO) Petition to close the standard offer contract for purchase of firm capacity and energy from small qualifying facilities or solid waste facilities should be granted.

It is therefore,

ORDERED that Tampa Electric Company's Petition to close its 1999 Standard Offer Contract for purchase of firm capacity and energy from small qualifying facilities or solid waste facilities is granted. It is further

ORDERED that this docket shall be closed if no person whose substantial interests are affected timely files a protest to this proposed agency action.

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By ORDER of the Florida Public Service Commission, this 22nd
day of August, 1994.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

by: Kay Flynn
Chief, Bureau of Records

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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 September 12, 1994.

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.

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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 wastewater 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.