

MEMORANDUM

OCTOBER 7, 1996

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FPSC-RECORDS/REPORTING

TO: DIVISION OF RECORDS AND REPORTING

FROM: DIVISION OF LEGAL SERVICES (WAGNER) LW RVE

RE: DOCKET NO. 960899-EI - APPLICATION FOR AUTHORITY TO ISSUE AND SELL UP TO \$300 MILLION IN LONG-TERM DEBT AND COMMON AND PREFERRED EQUITY SECURITIES AND TO HAVE OUTSTANDING A MAXIMUM OF \$300 MILLION IN SHORT-TERM UNSECURED PROMISSORY NOTES DURING THE 12 MONTHS ENDING 11/30/97, BY TAMPA ELECTRIC COMPANY.

1237-FOF

Attached is an ORDER GRANTING TAMPA ELECTRIC COMPANY'S APPLICATION TO ISSUE AND SELL SECURITIES to be issued in the above-referenced docket. (Number of pages in Order - 3)

LW/js

Attachment

cc: Division of Auditing and Financial Analysis (Jones)

I:960899or.lw

2 faxed
omitted

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Application for authority to issue and sell up to \$300 million in long-term debt and common and preferred equity securities and to have outstanding a maximum of \$300 million in short-term unsecured promissory notes during the 12 months ending 11/30/97, by Tampa Electric Company.)
DOCKET NO. 960899-EI)
ORDER NO. PSC-96-1237-FOF-EI)
ISSUED: October 7, 1996)

The following Commissioners participated in the disposition of this matter:

**SUSAN F. CLARK, Chairman
J. TERRY DEASON
JOE GARCIA
JULIA L. JOHNSON
DIANE K. KIESLING**

**ORDER GRANTING TAMPA ELECTRIC COMPANY'S APPLICATION
TO ISSUE AND SELL SECURITIES**

BY THE COMMISSION:

On August 9, 1996, Tampa Electric Company (TECO or utility) filed an application seeking Commission approval to issue and sell up to \$300 million in long-term debt and preferred equity securities and have outstanding a maximum of \$300 million in short-term unsecured promissory notes during the 12 months ending November 30, 1997.

On September 6, 1996 notice was published in the Florida Administrative Weekly advising that the Commission, at its regularly scheduled Agenda Conference on September 16, 1996, would take final agency action regarding TECO's application to issue and sell securities.

TECO maintains this authorization provides assurance of adequate flexibility in its financial planning. The net proceeds of these transactions, with the exception of pollution control revenue bonds, will be added to TECO's general funds to be used for working capital requirements and other general business purposes, including the financing of TECO's construction program. TECO

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states that it may use the net proceeds, received from any sale of these securities, to repay short-term unsecured promissory notes or for the purchase or repayment of securities of the utility.

The equity securities may take the form of preferred stock, preference stock, common stock, options, or rights relating to the foregoing stocks, with such par values, terms and conditions, and conversion and relative rights and preferences as may be permitted by the utility's Restated Articles of Incorporation. Long-term debt securities may take the form of first mortgage bonds, debentures, notes, convertible securities, installment contracts, and/or other obligations underlying pollution control revenue bonds, options, or rights or interest rate swaps and other derivative instruments relating to the foregoing with maturities ranging from one to fifty years and issues in both domestic and international markets.

The issuance and sale of equity securities and long-term debt may be through either negotiated underwritten public offering, public offering at competitive bidding, direct public or private sale, or sale through agents or distributions to security holders of TECO or affiliated companies, and the proceeds of which would be used exclusively by the regulated operations of TECO.

The short-term unsecured promissory notes may be sold through the commercial paper market. Notes sold in the commercial paper market may bear an interest rate as determined by the market price at the date of issuance, including discount and broker-dealer commissions. The short-term unsecured promissory notes sold through the commercial paper market will mature not more than nine months from the date of issuance. The issuance of short-term notes may include the issuance of short-term tax-exempt notes.

Having reviewed TECO's application, we find that the issuance and sale of the above-discussed securities, within the limits described, will not impair TECO's ability to perform its services as a public utility, are for lawful purposes within TECO's corporate powers. Therefore, TECO's application is granted subject to the conditions stated herein.

It is therefore,

ORDERED by the Florida Public Service Commission that Tampa Electric Company's application for approval to issue and sell up to and including \$300 million in long-term debt and preferred equity securities and have outstanding a maximum of \$300 million in short-term unsecured promissory notes during the 12 months ending November 30, 1997, is approved. It is further

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ORDERED that Tampa Electric Company file a consummation report in compliance with Rule 25-8.009, Florida Administrative Code, within 90 days after the end of any fiscal year in which it issues securities.

By ORDER of the Florida Public Service Commission, this 7th day of October, 1996.

BLANCA S. BAYÓ, Director
Division of Records and Reporting

by: Kay Dyer
Chief, Bureau of Records

(S E A L)

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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.

Any party adversely affected by the Commission's final action in this matter may request: 1) reconsideration of the decision by filing a motion for reconsideration with the Director, Division of Records and Reporting, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within fifteen (15) days of the issuance of this order in the form prescribed by Rule 25-22.060, Florida Administrative Code; or 2) judicial review by the Florida Supreme Court in the case of an electric, gas or telephone utility or the First District Court of Appeal in the case of a water and/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 after the issuance 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.